Daily Report

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Cuba

Havana Notes Deployment of U.S. Forces in Somalia

FL0712160492 Havana Radio Rebelde Network in Spanish 1255 GMT 7 Dec 92

["Our Opinion" commentary by Orlando Contreras]

[Text] An urgent AFP message datelined Djibouti has reported that on 8 December, U.S. troops will begin to arrive in Mogadishu, the capital of Somalia, and the first French contingent will arrive on 9 December. According to a resolution unanimously approved by the five permanent members of the UN Security Council, the formation of this military force has been authorized for a humanitarian task, under the UN flag and with the objective of distributing food and medicine to the Somali population, who are involved in internal political disputes which have left thousands dead and wounded and caused a famine in the country, to which adverse weather conditions and severe poverty in this country in the horn of Africa have also contributed.

The goals of this UN force could appear to be unobjectionable, but in reality approximately 40,000 combat troops will be mobilized under the UN flag. Of these, 35,000 are American and the remaining 5,000 are from 14 other countries. In other words, the green light has been given to a U.S. army of occupation, thus ratifying an idea, which is becoming more and more prevalent among rich countries and which is led by the strategic political thinking of the United States, concerning the sense that the sovereignty of nations in today's world—read a unipolar world—is becoming more and more limited.

The International Red Cross exists for these humanitarian operations. It could have been backed up, in the event that extreme instability had been confirmed in Somalia, by forces from the OAU or a much smaller contingent that is really from the United Nations. But what is going to happen in the next few hours is that American troops will in fact occupy Somalia. This is really a question of carrying out an operation that will establish a dangerous precedent for the rest of the international community, and especially for Third World countries.

The U.S. command will carry out an exercise of rapid deployment and occupation of a Third World country with the subsequent political impact that such a military deployment will have. It is fitting to ask: Are the forces in conflict in Somalia that strong? Are they so well organized and armed that to guarantee the distribution of food and medicine it is necessary to deploy an ultramodern foreign army which includes armored units and air and naval support? I think that beyond the humanitarian goals shrouding this operation, which is supported by the Security Council, there is a de facto ratification of a U.S. concept of the limited sovereignty of Third World countries.

Foreign Ministry on 'Full Support' for UN Policy

PA0812040992 Havana Radio Havana Cuba in Spanish 0000 GMT 8 Dec 92

[Text] On 7 December, the Cuban Foreign Ministry stressed that, with regard to human rights, the Caribbean island will continue to give its full support to the United Nations through the established mechanisms. It noted, however, that this will be done without any discrimination or pressure.

The Foreign Ministry announced the decision, which has already been mentioned by the Cuban representative to the United Nations. The Ministry added that Foreign Minister Ricardo Alarcon sent notes to all embassies abroad, asking them to follow this policy.

The resolution the United States presented at the United Nations last week seeks to pass judgment on the human rights situation in Cuba. Cuban authorities forewarned that they will not accept selective treatment or discrimination.

Culture Minister on U.S. Policy of 'Intervention'

PA0612044692 Havana Radio Havana Cuba in Spanish 0000 GMT 6 Dec 92

[Text] Cuban Culture Minister Armando Hart said in Havana on 5 December that the United States is trying to legitimize its policy of intervention in the internal affairs of other states as a trend in international relations.

At the closure of a seminar entitled Cuba in the International Field, in which representatives from 14 countries participated, Hart mentioned, as an example of Washington's hegemonic attempts, the U.S. authorization to carry out kidnappings outside its borders, and the recently approved Torricelli Law, which intensifies the economic blockade of Cuba.

Castro Greets Pastors for Peace Ship

FL0712163592 Havana Tele Rebelde Network in Spanish 0335 GMT 3 Dec 92

[Speech by President Fidel Castro at a ceremony to welcome the ship bringing a donation from the U.S. Pastors for Peace in Havana—live]

[Text] [Castro] Dear friends of the friendship caravan, fellow citizens from La Habana Vieja and Havana City: I imagine the whole city is represented here, and the students from the Lenin School are here also. [applause] I want to explain to you that I came here simply to welcome the ship. I was not supposed to speak at this ceremony. I have already had the opportunity to meet with the representatives of the friendship caravan at the Marianao, or La Lisa, church and also at the Martin Luther King Memorial. There I was able to talk with them for over an hour and explain to them all the reasons we are so deeply grateful to them. I also spoke to them at length about our problems and the embargo. The people

had the opportunity to see that ceremony on television. It was broadcast to the entire country and was in all the press.

I do not want to bore our American friends. I do not want them to think my way of saying thank you for things in the people's name is by making a lot of speeches. That is really not true. I knew that if I came here it was going to be difficult to get away without making a speech, even if it was only a brief one.

But I think many things have come together today. Many symbols have come together today. This is a day, or night, full of symbolism. All this is because of a happy coincidence. Today is the 36th anniversary of our landing in what was Oriente Province. Today we realize that that voyage was relatively difficult. We had to wait 36 years for me to become convinced of that. This morning, coincidentally, because of the initiative of our young Communists, marked the end of a voyage from Tuxpan in which our young people commemorated the 36th anniversary. They chose, as [Havana City People's Council President Pedro] Chavez explained, young people who are very outstanding because of their behavior and talents. There were 82, the same number as the expeditionaries who made the voyage 36 years ago. They were accompanied by five Mexicans and some other guests.

At 0630 this morning, they landed there in the same place we landed, at the same time. They went along the highway, no longer following our route. They could go by highway and visit the different towns along the coast of Manzanillo Municipality. They held a big ceremony there in Manzanillo, which was shown on television on the "Today" program. I would have liked to wait there also and welcome them, but it is impossible to do many things at once. In any case, I am very happy to have been able to welcome this other landing. Coincidentally, there were two landings on the same day. I was not able to be at Las Coloradas, but I was able to be at the Havana Port docks to wait for this ship. This not only compensates and consoles me, it also makes me very happy.

If we are going to do things as they should be done, in my opinion it was a matter of elemental gratitude, and elemental appreciation, to wait here for this landing and not for the other one. Because that landing also happened once, 36 years ago, and now it is being repeated. But this landing is especially important, and it is happening for the first time. [applause] So on this anniversary, we have had two Granmas. What a large number of historical coincidences! The young people who came from Tuxpan made the trip in a relatively small boat, but it was many times larger than the Granma. When I saw that boat—I was not able to see them off but I saw it on television—I saw that it was a very large boat compared to the Granma yacht.

Another coincidence was that there was bad weather when they left, and we also had to leave with bad weather. I hope the Mexicans will forgive me, but we had to leave despite the fact that departing was forbidden because of the bad weather. The Mexicans could have forbidden us to leave for many reasons, among others because it was an armed expedition that was leaving from Mexican territory; but supposedly that was not known until later. But the bad weather, the storm from the north, came up that day, and they prohibited shipping. Nevertheless, at 0200 we set off along the Tuxpan River. We ran a few kilometers until we reached the open sea. I think the time, the darkness, and other factors helped us to leave.

Now, the young people left with the authorities' permission, despite the bad weather. But the ship that brought the donation from the Pastors for Peace and the peace caravan, the donation from the American people, was not able to leave on the scheduled day. I think it was on Sunday, Saturday or Sunday. No, not last Sunday but the one before. I know it was supposed to have arrived a week ago. But they could not leave because of the weather. Shipping was prohibited. They had to wait for several days, and they left on 26 November. They were supposed to arrive on 29 or 30 November. It seems that that ship normally takes three and a half days. However, it was delayed in leaving, first. Then it was delayed in arriving. It took about six days. This ship took at least six and a half days to get here. The members of the caravan have been waiting for a week. They were supposed to be in Havana for three days.

Every day they were given a new date. They were also giving me a new date every day. I kept saying: When is the ship going to arrive? They would say: Not Wednesday but Friday. Not Friday but Saturday. Not Saturday but Sunday. Not Sunday but Monday. Not Monday but Tuesday. I asked: So what are the Pastors and the delegation going to do? They said: They are waiting. They are going to wait until Tuesday and leave on Wednesday. But the ship did not arrive on Tuesday either. They said the ship was going to arrive on Wednesday. I asked: What are the Americans going to do? They said: Well, they have to go on Thursday morning in any case. So we said: The ship has to get here on Wednesday.

But the organizers of this ceremony really did not what to do. They had already announced it several times. They did not know what time the ceremony would be. They did not know what day. Yesterday it even seemed like there would be no ceremony, because if the ship did not arrive by 2100, there would not be a ceremony. I took an interest in the ship. I asked: What has happened to that ship? That ship has not arrived. They told me the ship had spent I do not know how many hours behind an island in the Gulf, because of the bad weather. But I had no further details. I took an interest in it. I talked with the enterprise that manages that ship. I asked about the captain and the crew. I asked: How is it possible, if we came in the Granma yacht and arrived in spite of the bad weather, that that ship has not arrived?

Well, I even began to think that the captain might be afraid of the bad weather, that he was frightened. I could not think what had happened. I asked who the captain was. They told me he was a wonderful person, a very good captain, that he had been in the fishing fleet for who knows how many years, that he had worked in many places. They gave me very good reports about the ship's captain, the crew, and everybody. They told me they have not been able to get here. I asked: How many knots does that ship do? They told me that in normal weather it can do 10 knots an hour. Well, you had to pray, Reverend [Walker], that the weather would be good. I think you prayed so that the weather would be good, and if the weather was good it would (?arrive).

I asked: How far away is it? They said it was 138 miles to the northwest of Cabo San Antonio. I calculated at 10 knots an hour, with the distance, when the ship would come. In the end, I doubted that the ship would arrive before 2000 or 2100. So I spoke to [Jorge] Lezcano . I said: Lezcano, have you convened the ceremony? The ceremony must be held in any case. If the ship arrives at 2200, then it will be at 2200. If the ship arrives at 2300 or 0000, then it will be then. If the ship arrives at 0300, we must tell the residents that the ship has arrived, and in any case the ceremony must be held at 0300. [applause] I said: This is because in any case it is impossible for the Americans to wait any longer. Their plane leaves early on Thursday morning. With that uncertainty, we have been waiting for the ship.

Then I remembered the ship was going to arrive on the same day the other boat arrived, the one that left from Tuxpan. Look what a coincidence that is! Tampico is not very far from Tuxpan. The boat left at least two days later, and nevertheless they arrived on the same day, on 2 December. One arrived in the morning, and the other at night. Now, when this ship arrived, I asked for the captain. I said: What happened to the ship? Why did it not arrive? He said: The weather was very bad. I asked: What day did you leave? He said: On 26 November; we could not leave sooner because we did not have permission to leave. I said: Well, we did not have permission either, but we left under cover of darkness. Of course, they could not leave under cover of darkness, in the early morning there. They had to wait to be given permission to leave. They could not do what we did 36 years ago.

He explained to me the problems they had, what island they moored by, and what had happened. There was quite a lot that happened. There was quite a lot that happened [repeats] despite the fact that that ship could hold about 20 Granmas. That ship carries more than 2,000 tons of cargo. That ship was carrying general cargo from Tampico, so they also waited and took on your donation before they left. But what happened? Well, there were gigantic waves. I asked if they had had six- or seven-meter waves, and he said: No, 10-meter waves and more. But I was not yet convinced. I was not convinced that 10-meter waves could slow down that ship, crew, and courageous captain. But it was not waves that slowed down the ship. It was the cargo.

He said that that same night, 26 November, the gigantic waves which were crossing the prow reached the ship's bridge, shook the ship, and made the cargo on deck slip, and some of it even fell overboard. Do not worry: It was not the donation from the caravan. I asked right away: Has anything from the caravan been lost? He said: No, that was in the hold. Some water may have gotten in somewhere, but the cargo from the donation is in perfectly good shape. I said: Well, it is fortunate the donation is alright. I asked: What happened to the cargo that was on the deck? He said: A few things fell overboard. I asked: How much feel overboard? He said: About 160 tons of rolled steel were lost. They were carrying about 300 tons of rolled steel on the deck, and it slipped because of the storm.

Of course, the loss of this cargo is regrettable. You may say it is a shame that cargo was lost. Nevertheless, we have to say that it was lucky those 160 tons were lost. They explained to me that the ship could have capsized when the cargo slipped along the deck, and if that cargo had not fallen overboard, the ship might have sunk and the whole crew might have died. So they lived through truly dramatic moments. They had to slow down, not because of the waves, but because they had to find a calm place to get the cargo back into place and then ride out the storm. They passed through some really dramatic and dangerous hours on that ship.

At one time I began to believe he captain and the crew were deliberately holding back the ship in order to arrive on 2 December. But nothing was further from the truth. We were thinking bad things about the ship, the crew, the captain, and everybody, and it turned out they were experiencing a real tragedy. I found this out because I asked the captain. They told us. Well, finally they could continue. The ship is a few years old now, right? How old? It is 11 years old. That is not so old for a primary or secondary school student, but for a ship it is rather old.

But the problem is not that the ship is 11 years old, but that the ship was built in a socialist country. It seems they were not very expert at building ships, (?but they are our ships). Now we will have to see how that ship's engines are, what parts it has. You know that with all the things that happened over there in the socialist bloc, we do not have parts today for much of the equipment we have, of all kinds. So, Reverend, I must mention religion again, and say that we have people who are doing miracles. Because making that ship run—not to say the country, but I do not want to make propaganda for any country—but making that 11-year-old ship run without spare parts is a miracle. I think you also prayed so that the ship would be able to run and not break down somewhere along the way.

In any case, the tragedy of that ship, or the problems the ship had, give us an idea of what the embargo means, in one more aspect that I did not mention the day I spoke to the Americans. This is the question of transporting goods. I have already explained how the Torricelli Law tries to prevent us from hiring ships to bring our goods.

Our fleet has expanded many times over, as I explained to you, but it is not enough. In addition, there is another question: The goods have to come here from thousands and thousands of miles away. This is additional harm the embargo is doing us. We must find a lot of the goods we could buy 90, 100 or 200 miles away from us 10,000 miles away, or 7,000 or 5,000 miles away. That makes shipping extraordinarily expensive. You can see how close Tuxpan is, and the work we have had to do to receive these goods, the problems that must be overcome even when they come from a short distance. Imagine when we have to bring the goods from China, or Vietnam, or Japan, or Europe, or Canada, or the southern hemisphere. The distances to be travelled are enormous. This is an additional factor in why the embargo is hurting us.

I do not need to repeat what I have already said and what Comrade Chavez said about how much we appreciate these goods, this donation you have made. We do not measure it by its volume, but rather by its moral value, its meaning. Reverend Walker spoke of 15 tons. In my meeting with you, I spoke about millions of tons, which is the equivalent to us of what this means morally. Above all, these are tons of moral encouragement, tons of morale, which we have received with this action of yours. That is why we appreciate it so much. That is why we thank you so much.

These are tons of encouragement, tons of hope. This is what has arrived with this shipment. It has also been very moving to see how the people here benefit from this, like the comrade who received the bicycle. That was a symbolic bicycle, because the real bicycle he needs is still on the ship. It has not yet been unloaded. And the comrade who received the wheelchair he needs. He is a comrade from another country. He is not a Cuban. As Walker said, it is a joint effort between you and Cuba to express solidarity with a person from another country.

Medicine was also coming on the ship. We need medicine. There are a number of drugs that are short at this time, or are totally lacking. With the situation we have, we try to prioritize the most indispensable, the most essential ones; but today when the comrade from Granma Province spoke, when he welcomed the young people who commemorated our expedition, he said there were 300 drugs that are lacking in Granma Province. So of a list of more than 1,000 drugs, about 300 are lacking. He said that despite that, this year infant mortality in Granma Province is less than 10 [per 1,000 live births]. It is possible that before the triumph of the Revolution, the infant mortality rate in that province was about 100. Infant mortality is 10 times lower.

But I should say that very few countries in the world have an infant mortality rate lower than 10. This gives an idea of the human effort our doctors are making, the effort our health care services are making, so that they can—even in this year of the special period, a very difficult year—reduce infant mortality to under 10. At the time of the Revolution, infant mortality nationwide was around 60. Recently it was reported that right now, at the end of November and beginning of December, infant mortality is about 10.4 per 1,000 live births. So it is even lower than last year, despite all these difficulties.

Now think about the gratitude with which our people receive a donation that includes medicine, when hundreds of different kinds of medicine are lacking. This can help you to understand. You have been here about a week, right? How long have you been here? Since Sunday. You have been here 10 days. For our part, we are happy you have stayed here 10 days. You have been able to make more contacts with our populace. You have been able to go to more places and see the Revolution's work at a difficult time. It is not the same thing to come here at a normal time in the past and to come to Cuba right now, when we are experiencing very great difficulties which we do not hide. We are suffering great hardships. That is the reality. You have been able to see this, and at the same time you have been able see the efforts our people are making to overcome these difficulties.

The Reverend Walker described, when he was telling our fellow citizens about the things that had happened, the efforts his group had made; he talked about what Cuba meant and the need to defeat the embargo, to wipe out the embargo. At one point, he said that the embargo is almost defeated. He is right, strategically, if we do not measure it in terms of time. That is, sooner or later, the embargo will be defeated. Sooner or later, the embargo will disappear. But this does not mean that we can expect it to disappear immediately or in a short time. I really think that it is a long road. This is a long struggle, a difficult and hard struggle. But what you have done is proof of the truth that the embargo will sooner or later disappear. You have shown the way for the quickest disappearance of the embargo.

I told you when I met with you last week that a lot was going to depend on the American people, and what the American people do. A lot is going to depend on the examples they set. A lot will depend on the awareness of the American people. A lot is going to depend on what people like you do. A lot will depend on your ability to mobilize. A lot will depend on what you do. You are the pioneers. Because, as I explained on Friday, the factor of solidarity by the American people is decisive in wiping out the embargo. I think you have the great merit of having shown the way to defeat the embargo. But we cannot get the idea that it will be easy. We must get used to the idea that it will be a lengthy and difficult struggle. The embargo is a tangle of extremely complex measures and legislation of all kinds. Those who set it up did so in such a way that it would be difficult to dismantle. This is why I think you have a hard, difficult task ahead of you.

I asked the Reverend Walker where you were returning to. He said you were returning to Tampico. I think you are going to pick up your vehicles again. I think that by the end of the week, you will be back in Laredo. He told me something very interesting. I do not know whether this is a military secret, because you have an almost military organization. I said before that it would have taken a Pentagon to organize what you organized. I told the comrade...[rephrases] What is your name, comrade? [several voices

answer: Tom Hansen] Hansen. I could see he was a strategist, because they told me he was the organizer. I said that I could see he was a strategist. [applause]

Now you are going to do the movement in reverse, according to what I have been told. You are going to go through the same cities you did when you were coming here. You can see, Captain, how much these people's return to the United States has been delayed, not by your fault but because of the bad weather. Well, what more can I say? What more can I say to my fellow citizens? That you know what you are doing, and you know how to do it well. You have good leaders, good activists, good strategists, and above all, above all, [repeats] you have a good cause, a just cause, a noble cause, a generous cause. [applause]

This is why I say that on a day so full of symbolism, there is one more kind of symbolism on this 2 December. In the future we will have to commemorate the Granma landing and the arrival of this donation. [applause] But all this symbolism means something. It must mean something. It is telling us, among other things, that the struggle is long and difficult, because when we succeeded in landing, we were very happy. We had two great moments of happiness: when we left [Mexico] and when we ran into the storm, because the storm was in the open sea, and so we were on our way, if the Granma was to arrive. But we were convinced that the Granma would arrive, and so we had a sentence: If we leave, we will arrive. If we arrive, we will land. If we land, we will win. [applause]

That is what you have done now. If you left, you were going to arrive. If you arrived, you were going to land. If you landed, you were going to win. [applause] But you are also saying something else: If we leave, we will return. If we return, we will come back again! [applause] We had very hard setbacks, but we did not become discouraged. The important thing is not to become discouraged. But the pastors will say: Men of faith never become discouraged. Men of faith are able to climb any path. Men of faith are able to carry any cross. Men of faith are able to climb any Calvary, suffer any calvary. You are men and women of faith. [applause]

That is another resemblance between your struggle and ours, whose beginning 36 years ago is commemorated today. Did anyone invent all these coincidences? No one could invent them. Who invented all these coincidences, all this symbolism? Two ships that leave, two ships that arrive on the same day. Who invented the storm? Who invented the hazardous voyage so that all this could coincide? We should take note of all these coincidences and understand that the struggle will be long, yours as well as ours, yours just as ours was. When will you be able to meet again, you the pioneers, with the people of Havana, as the people of Manzanillo met today with the Granma pioneers of 1956 and the young generations who made the voyage again? When will you be able to meet again and say, "We have won; the embargo no longer exists," and celebrate the victory with the people of Havana?

Sooner or later this will happen. Sooner or later you will meet here again, and a new tradition will be created, that of celebrating this first voyage, on 2 December of whatever year. It does not matter what year it is. But it will come. because just causes, noble causes, win. The cause of men and women who have faith win. [applause] It is with this conviction and these emotions that we say goodbye to you tonight. And we say, as we say to friends: Until we meet again. Or we say, taking the words of Che [Guevara]: Ever onwards to victory. We will win! [applause]

Roca Denounces U.S. Embargo at Nutrition Conference

FL0812005692 Havana Cuba Vision Network in Spanish 2330 GMT 7 Dec 92

[Text] At the First International Conference on Nutrition, Cuba has denounced the 30-year embargo imposed by the United States. The meeting, which is being held in Rome, is sponsored by the Food and Agriculture Organization [FAO].

At this meeting, Alejandro Roca, the chief of the Cuban delegation and minister of the food industry, stressed that the embargo hinders, limits, makes more expensive, obstructs, and even blocks, the acquisition of food, medicine, and other resources indispensable to fulfill the goals established by the FAO.

Commentary Claims U.S. Ignores Extradition Request

PA0812044092 Havana Radio Havana Cuba in Spanish 0100 GMT 8 Dec 92

["Our America" commentary by Manolo Ortega]

[Text] For the umpteenth time the Costa Rican Supreme Court requests the extradition of well-known CIA agent John Hull from the U.S. Government. He is sought on charges of masterminding the 1986 attack on former counterrevolutionary leader Eden Pastora in La Penca, which killed three journalists and injured others.

Respectful of the extradition treaty between the two countries, the Costa Rican Government has requested the U.S. Government to turn over this international criminal, but has not resorted to intelligence operations and kidnapping, which the U.S. authorities frequently carry out in foreign countries. Washington, however, has not replied to the Costa Rican request, despite the fact that Hull played an outstanding and public role in the support and resupply of the Somozist gangs. These gangs, from the Nicaraguan border area, devastated the neighboring country, murdered any peasant they came across, and in addition, kept the Sandinist authorities in suspense for 10 years.

John Hull's history is a long and shady one. Although the Costa Rican Government wishes to place him on trial for masterminding the La Penca attack, many other things may come out in this trial. Protected and financed by his

CIA bosses, Hull not only helped the contra gangs from a farm he owned in Costa Rica's northern border, but in addition, had close links to the Iran-contra case and was known as an efficient arms dealer and drug trafficker.

International legal organizations were able to ascertain that John Hull eased the entry into Costa Rican territory of drug traffickers and from there established strong connections to other Latin American countries. Drug traffickers linked to the network of support to the Nicaraguan counterrevolution, led by Colonel Oliver North, admitted, a few years ago in the United States, to having taken cocaine to U.S. territory from farms owned by John Hull in Costa Rica between 1984-1985.

A Costa Rican legislative commission, which investigated drug trafficking penetration into local politics, concluded in 1989 that, in these operations, drug traffickers transported at least 5,000 kg of cocaine to the United States and Mexico. The commission included in this network former U.S. Ambassador Louis Tambs, John Poindexter, and Richard Secord—former Reagan administration officers—plus several Costa Rican CIA agents.

In order to act with greater freedom Hull had become a Costa Rican citizen, but the local authorities announced they would annul his citizenship as well as his residency permit, the same as they would do to other characters like him, all of whom are charged with involving the country in illegal affairs.

In view of this, the old CIA agent fled Costa Rica to the United States, not before admitting he had worked for the CIA for a long time, and brazenly explaining in detail how he put to use the dollars supplied to him by the U.S. Embassy in San Jose.

It is very interesting to note that the U.S. Government, which favors kidnapping citizens in foreign countries suspected of drug trafficking or other crimes, such as Mexican Dr. Humberto Alvarez Machain, is so hesitant to hand over well-known criminals such as John Hull. With this, the United States not only protects criminal acts, but violates extradition agreements. The Costa Rican Government, which for a long time has requested Hull's extradition, once more awaits a reply from the U.S. judicial authorities.

Railroad Workers Sentenced for Economic Crimes

FL0812011592 Havana Cuba Vision Network in Spanish 2320 GMT 7 Dec 92

[Text] The first court of the Holguin Provincial Court has sentenced 69 individuals who had worked at Holguin's Railroad Loading and Unloading Center. Last year, a fiscal audit revealed irregularities at Holguin's Railroad Loading and Unloading Center. Once the investigation got underway, it was discovered that certain people had broken the seals of containers located at the Railroad Loading and Unloading Center and that they had taken merchandise including canned meat, soaps, detergents, beans, rice, food pastes, and clothing [confecciones] with a value of over 300,000 pesos.

Following identification of the people involved in the embezzlement, illegal economic activity, and concealment, they were put at the courts' disposal where the judges issued sentences ranging from nine months to 16 years of imprisonment.

Earlier, the municipal and provincial courts had tried a group of citizens who were also involved in this crime. Upon completion of the audit, it was announced that the total amount of losses to the economy totalled more than .5 million pesos.

Opposition Group Leader Announces Resignation

PA0812013692 Madrid EFE in Spanish 1728 GMT 7 Dec 92

[Text] Havana, 7 Dec (EFE)—Nestor Baguet, secretary general of the Democratic Socialist Current (CSD), announced his resignation from this opposition group because of a disagreement on whether to admit retired Colonel Alvaro Prendes to the organization.

Baguet told EFE that he had tendered his resignation as secretary general and that he had left the group because he could not accept the way the admission had taken place. Baguet said: "The board of directors was not consulted," adding that "the decision was made practically by one person."

The CSD, which according to Baguet has approximately 25 active members, is one of the most moderate internal opposition groups. Some of the well-known dissidents who belong to this group are Elizardo Sanchez Santacruz and Vladimiro Roca, the son of Blas Roca, deceased communist leader.

Alvaro Prendes, 60, founder of the Cuban Air Force, on 3 December became the first retired military officer to announce his joining an opposition group on the island.

Prendes confirmed during a news conference with foreign correspondents that he had made this decision because he believes "that the system has no way out," and that Fidel Castro should conduct "an economic opening and a national dialogue."

Baguet said he does not trust Alvaro Prendes and stressed that his title "Hero of Giron Beach" does not seem to Baguet to merit a guarantee of his admission to the CSD.

Inter-Caribbean Affairs

Cuba Seeks 'Economic Relationship' With Caricom

FL0812005492 Bridgetown CANA in English 2135 GMT 7 Dec 92

[By Paget De Freitas]

[Text] Kingston, Jamaica, Dec 7, CANA—Two decades after four English-speaking Caribbean countries broke the U.S. taboo to establish diplomatic relations with Cuba, Havana is attempting to widen its links in the region and build economic ties as it responds to problems unleashed by the demise of the communist trading system. So far this year, Havana has established relations with St. Lucia and St. Vincent and has normalised its contact with Grenada. And according to Cuban officials, they are open to new relations with other countries in the eastern Caribbean.

On the economic front, Havana is not only talking with the Caribbean Community (Caricom) about formal economic and technical cooperation, but has been luring Caribbean entreprenuers to invest in Cuba. The Cubans are having success. For instance, the Jamaican hotelier, John Issa, who controls the Superclubs chain, has for the past two years operated a hotel in the Cuban resort of Veradero and is soon to bring onstream a second. And Philip Nassief's Dominica Coconut Products (DCP) not only sells a fair bit of its toilet soaps in Cuba, but is negotiating with Havana to invest in a soap and comestic manufacturing venture.

"We are are emphasising economic relationship," concedes Dario Urra, Havana's ambassador in Kingston. "In light of the collapse of the Soviet Union, we have to re-orient economic policy." Urra has been in Jamaica for the past two years quietly attempting to rebuild bridges, worn and strained from nearly a decade of relative unuse. For in the 20 years since the December 8, 1972 move by Jamaica, Barbados, Guyana, and Trinidad and Tobago to establish relations with Cuba and end Havana's isolation in the region, contact between the Castro government and its English-speaking neighbours has not always been smooth.

Jamaica provides a good litmus test for Cuba's ambitions in the English-speaking Caribbean. For most of the 1970's, the island, only 90 miles away from Cuba, largely defined Cuba's relations with the region—that is, until it was overtaken by events in Grenada in the early 1980's. In 1981, with politicial tensions and the ideological divisions in Jamaica stark, Edward Seaga's then right-of-centre Jamaica Labour Party (JLP) government, which had come to office months earlier, broke diplomatic relations with Cuba, accusing Havana of harbouring Jamaican criminals and training terrorists. The real centre of the crisis, however, was the close relations that Jamaica, under ex-Prime Minister Michael Manley's People's National Party (PNP), espousing an ideology of democratic socialism, developed with Cuba. Manley's posturings angered the United States.

By the time Manley returned to office in 1989—he retired in 1992—his views had altered considerably. The government that in mid-1990 re-established diplomatic relations with Cuba was preaching the primacy of the market and private sector-led economic growth. It was clear that Manley did not want the close relations with Cuba that he had fostered in the 1970's to damage his new acceptance in Washington. Ironically, it is a development that Havana, in the circumstances, is apparently not displeased about. The Cubans believe that even if there was a change in government here now, Kingston/Havana relations would not be affected.

Urra measures his success, in part, by the number of Jamaicans willing to do business with Cuba (such as Issa who is an official of the JLP) and the contacts that he has established with all sides of the political spectrum. For instance, a bi-partisan Jamaican parliamentary team recently made a familiarisation visit to Cuba.

"The relations is at (the) state level," says Urra, whose quiet- spoken diplomacy is gaining Cuba friends where his flambuoyant predecessor, Ulises Estrada, attracted enemies in the late '70s. "... I have the best relations with the JLP," says the diplomat. "I had a frank discussion with them."

At the regional level, Cuba is optimistic that its application for observer status in the 13-member Caricom, a trade and functional cooperation group of former British colonies in the region, will win approval at the Community's next full summit in July 1993. They are hoping that the path towards a formal relationship with the Community will be smoothed by a Caricom team that will visit Havana early in the new year for a meeting of a mixed commission, hoping to identify areas of collaboration with the Community.

Cubans see health, biotechnology, other areas of science and technology and agriculture as among the fields in which they have something to offer the Caribbean. They also see tourism, a sector the Cubans have identified for priority treatment, as a key area for collaboration. A major hurdle in this respect was cleared earlier this year when Havana was accepted as a member of the Caribbean Tourism Organisation (CTO).

Members of the Caricom sub-group, the Organisation of East Caribbean States (OECS), had consistently objected to Cuba's membership. The OECS had backed Grenada's insistence that Cuba declare its recognition of the government that emerged there after the 1983 overthrow of the leftwing Maurice Bishop government during an internal power struggle and the subsequent U.S. invasion of the island. For its part, Havana insisted on being compensated for equipment used in the construction of a modern airport in Grenada that Cuba had spearheaded for the Bishop government.

"Those are settled now," says Urra. In Trinidad and Tobago, the Cubans, short of oil because of a decline in supplies from Russia, would wish to develop a secure supply relationship. One of Cuba's problems is its shortage of hard currency to pay for oil imports, which is also driving its bid to participate in the San Jose Accord—the scheme under which Venezuela and Mexico provide oil on a preferential basis to Central American and Caribbean countries. However, Cuba is being realistic about the vulnerability of Caribbean countries and the external pressures that can limit their

independence of action. Says Urra: "We have to be realistic. We can't view Jamaica at the same level as Canada or Britain. "That is a reality that the Cuban government has to consider."

Antigua and Barbuda

Education Minister Protests Cabinet Decision

FL0412012692 Bridgetown CANA in English 2156 GMT 3 Dec 92

[Text] St. John's, Antigua, Dec 3, CANA—A cabinet decision barring Antigua and Barbuda Government workers and employees of state corporations from seeking election to public office has upset education minister, Senator Bernard Percival.

The cabinet decision, announced Wednesday [2 December], blocked two senior public officers—director-general of tourism, Yvonne Maginley and permanent secretary, McClin Mathais—from contesting a December 7 primary election which will decide who will be the ruling Antigua Labour Party's candidate in the St. John's rural North constituency at the next general election. Percival, who has been courting the constituency, told reporters Thursday the decision was "controversial and most untimely" and had "strained" the selection process. St. John's rural north is currently represented in Parliament by Prime Minister Vere Bird, the 83-year-old leader of the ALP [Antigua Labor Party]. He announced his intention earlier this year to retire from politics at the end of the government's current term in 1994.

Percival said he was seeking an emergency meeting of the ALP executive "to address this unfortunate development ... With a view to ensuring that all the present candidates be allowed to take part in the race unencumbered." Both Mathais and Maginley had been actively campaigning for the primary.

"It is imperative in my view that consideration to the possible postponement of this primary (should be given) to allow sufficient time for all parties concerned ... to resolve this matter satisfactorily," said Percival, who made it clear he did not take part in the cabinet decision. Percival, who expressed confidence to reporters about winning the primary, said the decision had "harmed (him) more than anyone else (because) it robs me of the opportunity to receive a clear mandate from the constituents."

Union Threatens To Withdraw Support

FL0712194092 Bridgetown CANA in English 1630 GMT 7 Dec 92

[By Colin James]

[Text] St. John's, Antigua, Dec 7, CANA—The Antigua Trades and Labour Union (AT&LU) which spawned the Antigua Labour Party (ALP) has threatened to withdraw its political support for the ruling party.

This follows a decision by the cabinet to bar public servants from offering themselves for election to Parliament or local government bodies.

ALP spokesmen have said that the party is only upholding the Public Service Act which says civil servants cannot run for office unless they resign.

In a front-page article in its weekly newspaper, "THE WORKERS VOICE", the union said, "Given the prevailing circumstance, the AT&LU will have to seriously re-consider its position in so far as its support for the Labour Party is concerned."

The union is upset with the decision announced last Wednesday, five days before a scheduled ALP primary to select a replacement for retiring Prime Minister Vere Bird Sr. who will not contest the next poll in St. John's rural North constituency.

The primary has since been postponed because except for Education Minister, Senator Bernard Percival, three other contestants are public servants.

In a strongly critical article, the union said the Labour Party and the government "seem to have lost their direction and ability to come to terms with reality."

"For much too long, both the government and the party have been involved with in-fighting with no solution in sight.

"Members of cabinet keep fighting against each other and the party machinery is incapable, in its present form, of solving the ever widening rift within the organisation," the paper said.

"What is really wrong with the Labour Party and the cabinet?" It asked. "Indeed, what type of double standard are they practising, allowing government employees to contest in one instance and barring others in another," it added.

It was an apparent reference to a primary in another constituency last month in which an ambassador and an employee of the state-owned Public Utilities Authority were unsucessfully contestants.

"The question which arises is that of the validity of the City South primary. Should not this process be declared null and void?" The union asked.

"The ... decision by the cabinet is only serving to add more fuel to the fire. In the final analysis, it is the party and the government which will be ruined," it added.

The AT&LU also repeated its call for a "clear policy (to be) drafted and circulated" on the issue of challenges against incumbent parliamentarians.

"Again we issue a call to the party to declare its position on the matter and to make serious efforts to unite the party and government and cease the infighting and back biting among its colleagues and supporters," the union stated.

"This organisation can no longer continue its support for a party which does not seem capable of coming to terms with reality," it added.

The ALP was formed in 1968 out of the AT&LU which was the power base of Prime Minister Bird.

The ALP executive is to meet on Friday to discuss the implications of the cabinet decision and the question of holding primaries in constituencies where incumbents are being challenged.

Haiti

Pro-Aristide Marchers Protest Rights Violations

FL0712233992 Port-au-Prince Radio Metropole in French 1700 GMT 7 Dec 92

[Text] About 300 religious representatives and civilians staged a peaceful march on 5 December in Port-au-Prince to protest the violation of human rights in the country and the overthrow of President Aristide.

Policemen in uniforms and civilian clothes watched the march discreetly. The religious delegation included several priests known for their political involvement and their position in favor of the theology of liberation. They marched from the Bel-Air Chapel to the Port-au-Prince Cathedral where a mass was celebrated.

Bicameral Commission Chooses CEP Representatives

FL0712222892 Port-au-Prince Radio Metropole in French 1700 GMT 7 Dec 92

[Text] A new step was taken in the formation of the Permanent Electoral Council, CEP. Three names representing parliament could be given to the government today. The bicameral commission formed within the Chambers was studying the situation, and just completed its report. It is to be noted that six of the nine CEP members are already known. It should be recalled that parliament twice postponed its National Assembly session for choosing its three CEP representatives. After such a failure, a bicameral commission was formed with three senators and six deputies during a meeting of the National Assembly office. This commission then studied the choice of parliamentary representatives in the electoral institution. The three names are reported as Bernadotte Larossiliere for the Department of the South, Ulrick Desire for the Artibonite, and Joseph Appolon for Plateau Central. Parliamentary sources indicate that the three names could be given this Monday to Bazin's government, after being approved by the National Assembly office.

This initiative of the National Assembly office is strongly criticized by the parliamentary opposition.

PANPRA Favors Holding Senatorial Elections

FL0712222492 Port-au-Prince Radio Metropole in French 1455 GMT 7 Dec 92

[Text] The Nationalistic and Progressive Revolutionary Party of Haiti, PANPRA, reasserts that the party favors holding senatorial elections for the renewal of a third of the Senate, in conformity with provisions of the 1987 Constitution. PANPRA believes that not holding these elections within the provided constitutional deadlines involves a serious threat to the nation, especially the worsening of the institutional crisis which risks the loss of the Parliament, the 1987 Constitution, and a total loss of national sovereignty, which would be justified by our inability to responsibly, realistically manage our internal political crisis. Today, PANPRA continues on this note, as the end of a third of the Senate mandate approaches, and as dangers threaten parliament and other democratic institutions. PANPRA believes there is still time for the moderate sectors to reach a broad consensus, indispensable to holding senatorial elections.

Ousted Government Information Minister Arrested

FL0712233792 Port-au-Prince Radio Metropole in French 1700 GMT 7 Dec 92

[Text] A former state employee of the ousted government has been arrested in Cap-Haitian. Antoine Augustin was arrested on 5 December in Cap-Haitian, in the Morne du Nord zone.

He was the head of the Information Ministry of the ousted government and also a member of the People's National Assembly, APN. APN, in a communique, calls this arrest illegal and demands the release of Antoine Augustin.

Three Students Missing; 13 Arrested Since Demonstration

FL0712222592 Port-au-Prince Radio Metropole in French 1600 GMT 7 Dec 92

[Text] Student sources assert that, following the dispersion on 1 December of an anti-government demonstration at the Faculty of Agronomy, at least three students are reported missing, and 13 have been arrested. Several dozen others were injured by police. It should be recalled that the policemen had asserted that they were stoned by the students. This accusation is strongly denied by the students.

* Salinas Notes 'Revolt' Against Parties

93CA0030A Mexico City LA JORNADA in Spanish 12, 13, 14 Nov 92

[Report on interview with President Carlos Salinas by Reporter Carmen Lira at the Los Pinos official presidential residence—date not given]

[12 Nov pp 1, 8, 10]

[Text] In Mexico, as in other countries, there is a revolt by the rank and file against their parties, Carlos Salinas de Gortari told LA JORNADA, adding: The rank and file want parties that are more responsive to them. The people do not want a "partyocracy"; they want democracy, and democracy demands modernized parties.

When he was told that the crisis in parties is reflected starkly in the parties of the state, like the Institutional Revolutionary Party [PRI], the president replied that PRI is engaged in a transformation of its structures, which worked for an era that no longer exists.

Moreover, he denied that the change of administration in the United States was going to influence the presidential succession in Mexico. "Internal processes in Mexico are consistent with the interests, perspectives, and values of Mexicans," he asserted.

In a spacious lounge in the official residence of Los Pinos, Salinas de Gortari granted an interview to LA JORNADA, the first exclusive interview that he has given this paper in his four years as president.

Impeccably dressed and in an excellent mood, which did not change even when he was asked whether he was ready to leave power in 1994 (perhaps to be succeeded by someone in the opposition), the president answered most of the 40 questions posed to him on politics, economic policy, and the free trade agreement, although he did sidestep some and asked that certain answers be kept off the record.

Relations with our powerful neighbor to the north ("an unavoidable neighbor"), the recent elections there and its effects throughout the world, Mexico's own controversial elections, and the vicissitudes of the transition to democracy were compulsory topics throughout the talk, which lasted almost two hours.

The following is the first part of the questions and answers in this interview:

[Lira] There are complaints that while economic policy has been elevated to the highest rank, everything else, including politics, has been subordinated to it and put in the background.

[Salinas] That is a short-sighted view that fails to see reality clearly. I have also heard it said that in Mexico there is "perestroyka" but not "glasnost." But this remark is no longer in keeping with what we are experiencing.

I would say that in Mexico we have carried out a wide-ranging economic reform, a wide-ranging social reform, and we are immersed in a wide-ranging political reform. Neither of the three reforms has been given priority, for one very simple reason: they cannot be dissociated from each other in the real world.

This is done for analytical purposes, but in everyday life the economy, social matters, and politics interact all the time, and we have worked with the same intensity and with the same interest on these three reforms. With the same care too.

Some speak of political reform as if it just consisted of experiments that should be tried on society to see how it absorbs them and how it does.... But here we are talking about the destiny of 85 million people, and one cannot conduct experiments on them or play armchair games. We also have to follow the pace that Mexicans want. Mexicans want a political reform that preserves unity, that does not foster discord or division.

We have already seen other nations that pursued armchair agendas with regard to political transformations and for this very reason wound up without an agenda, without a system, and without a country.

I am convinced that the talent of Mexicans will have to win out so that we can continue along the path of political reform and, at the same time, preserve the fundamental unity of Mexicans without seeking uniformity, much less unanimity, but instead a convergence around the higher principles of the nation.

[Lira] There are segments of the population that still feel that not enough has been done in the area of political reform.

[Salinas] I would say that we need to move forward with what we have been doing. We have reached accords on electoral legislation. Five of the six parties in the chamber voted for the new electoral legislation! We have reached accords on the voter registry, a very costly but indispensable weeding out. We have reached accords now on credentials. Let us remember that the level of reliability of the voter registry in Mexico is 95 percent, one of the highest in the world. We are now moving to a credential with a photograph; it is going to cost 2 trillion pesos. But the parties have to contribute to electoral certainty too.

I have indicated that while the parties reach accords, we have to make headway in financial reporting in party funding, in ceilings on campaign spending, and on the issue of the media.

But I also see that in Mexico many people no longer want to join parties. Political organizations are faced with a formidable challenge, because we need parties to strengthen democracy. And what is happening in Mexico, like in other countries, is that there is a revolt of the rank and file against their parties. They want parties that are more responsive to them. People do not want

"partyocracy"; they want democracy. And democracy demands modernized, transformed parties.

PRI still has a very important road ahead of it in its internal reform, and the rest of the parties do too.

[Lira] The crisis in parties, their lack of credibility in the eyes of the electorate, is reflected most starkly in the downfall of the historic parties, the parties of the state that have also run their countries' governments for a long time. It seems to us that this is the case with PRI, which is immersed in one of its most serious crises ever.

[Salinas] I would say that PRI is immersed in a process of very sweeping changes, which undoubtedly reflect the transformation of its rank and file, the transformation of internal structures that worked in an era that no longer exists, and also the transformation of a PRI program and ideology that are no longer in keeping with the real world. Hence the need for an internal reform of the party, and this applies to the others as well.

In other words, I see Mexican society demanding better parties, clearer proposals, and more of a connection with their own rank and file. At the same time I see that when PRI is able to show that it is reforming, it continues to get sizable percentages of the vote.

[Lira] If this crisis deepens, if PRI does not succeed in making the required changes, if it does not come up with a real program, what program does the government have? Because in the final accounting the crisis of PRI, which is a party of the state, is also the crisis of the system.

[Salinas] I am optimistic about the reform inside PRI. I am optimistic because it is tackling the essential points of its required reform, and as a result the response at the polls shows that in the face of tough regional competition PRI still has the nationwide ability to convince the majority of the electorate.

[Lira] It may score victories but not gain credibility, sir. The results of these elections are still being challenged.

[Salinas de Gortari] It worries me that the parties themselves are helping to discredit election results. When they win, they hail the clear results [of the elections]; when they lose, they do not admit defeat. This is not good for building democracy.

I realize that when there are abuses, they must be corrected and punished. But when the fundamental elements of elections are in keeping with the law and reflect the will of the electorate, I feel that seeking to discredit them is more of a setback than a gain for democracy. And indeed it prompts some segments of the population to withhold their trust, while others confirm their convictions and their vote by upholding the credibility of the result.

All of us, government, parties, and the media, have a joint responsibility (all of us!) to continue moving forward in the country's democratic process, because we are all part of it.

[Lira] In your most recent report you point out the need for openness in the use of funds and in relations with the media, but you do not indicate how to accomplish or who would guarantee such openness. You speak of "accords" among the parties, of relations that will make for progress, but you do not say how to establish them either.

[Salinas] They must be conducted in earnest, with maturity, with responsibility. The government has demonstrated its strong support for dialogue, for consensus building, and, unquestionably, for tolerance, as it is obliged to. I think that if the parties are really committed to the country's rank and file (and I am convinced that several of them are), this has to be reflected at the bargaining table....

[Lira] Are the parties mature?

[Salinas] I would say that they have been making headway.

[Lira] And what about PRI itself? Because agreements could be reached, and if one of the parties, PRI for example, does not comply....

[Salinas] Everyone has to comply. I think that the country's various political forces are mature enough to take part in this dialogue, which will be a continuation of the one that has been conducted. We are not starting at square one. Someone asked me not long ago: "Why was it not until the Fourth Government Report that you called for political reform?" I replied: "Because you did not read the three previous ones." We are not starting at square one; this administration did not even begin it. For several years now in Mexico we have been working to intensify the processes of political reform, which is turning out to be very complicated, very complex.... There is a lot of inertia in all spheres. But I repeat: I think that the various political forces are mature enough to build the consensus that is indispensable. I am not excluding anyone when I say that I find them mature enough to conduct this dialogue for democracy and the country.

[Lira] You have held dialogues with the National Action Party [PAN] but not with the Party of the Democratic Revolution [PRD]. Is there any real chance of a dialogue with the PRD and, consequently, of reaching agreements that will make democratic progress possible, agreements that should also be bolstered among the parties themselves, PAN, PRD, and PRI?

[Salinas] From the beginning of my term I have been inviting the country's main political forces to an open and constructive dialogue in a spirit of consensus and based on a recognition of and respect for our pluralism. Leaders and representatives of all these parties and of all

political forces and schools of thought have responded to this invitation and taken part in the dialogue. We have found fundamental common ground with them: respect for democracy and the law, the need to improve electoral legislation and instruments, widening the avenues of political involvement. The potential for broadening and enriching such constructive and pluralist communication remains open, without exception, to all political actors in a framework of respect for diversity of opinion, background, and positions.

[Lira] You also mentioned the mass media as jointly responsible in this process of political reform. In your judgment how have the media responded to this dynamic?

[Salinas] I would say that the media have fully exercised the right to freedom of expression that exists in the country. I think that the media have a great responsibility to report on the debate better, and not only by making their pages available to the different points of view. That is not enough. They have to investigate, analyze, engage in informed reflection. This is the most important part of their responsibility as an intermediary not only between the state and civil society but also within civil society itself, which it must help to inform. I am talking about the print media, which by the way has a very strong influence on the audiovisual media. Hence the importance of helping to make this an informed debate.

[Lira] By the way, what does freedom of expression mean to you?

[Salinas] The full expression of each person's way of thinking under the rule of law.

[Lira] As to the tradition of "tapadismo" [procedure culminating in the president's identification of the ruling party's candidate for the presidency only after long, secret deliberations], should the contenders for the party's nomination disclose their aspirations instead of hiding them?

[Salinas] I would say that each party in each country has its own method of choosing its candidates, and that each should employ that method.

[Lira] You are not telling me anything.

[Salinas] I am telling you a great deal.

[Lira] I will ask again: Do you agree with "tapadismo"?

[Salinas] I agree that each party should follow procedures that are best suited to preserving the internal unity of political organizations, thus meeting the expectations of the voters better.

[Lira] The change of administration in the United States will reportedly affect the presidential succession in Mexico and even the choice of the PRI candidate. What can you tell us about this?

[Salinas] What I would say is that internal political processes in Mexico are consistent with the interests of Mexicans, the perspectives of Mexicans, and the values of Mexicans. External circumstances will always be considered. Of course! But they are neither decisive nor exclusive. They are simply one more consideration.

The primary consideration, what counts, is precisely what is happening in Mexico among Mexicans. This is what counts in the end. We must have confidence in ourselves, and I have full confidence in Mexicans. This is part of our strength and our determination to remain sovereign and not to allow external events to dictate fundamental, sovereign decisions.

[Lira] I will ask you again, sir. Is there or is there not pressure from the United States?

[Salinas] I would say that the factors are what they have always been. There are various, different external factors in any scenario, but the decisive ones are internal.

[Lira] What has it been like to exercise power, since you reached the highest position that a politician can aspire to in this country at such a young age? How has it affected your life? What have you enjoyed? What do you regret right now about your years as head of the Mexican Government?

[Salinas] These years have been very intense, emotional, very stimulating. Some days have seemed like seconds, and some seconds have lasted forever. Time passes very unevenly in this job, and....

[Lira] Do you not think that there are some issues pending?

[Salinas] Not now.

[Lira] Would you say that you are satisfied?

[Salinas] Well, that is not the same thing. What I am saying is that up to now I have been promoting the reforms that the people have been clamoring for. Consolidating them is the trickiest part. This is why I placed so much emphasis in the report on the issue of consolidation. Turning them into institutions that do not depend on individuals and that, above all, the community itself demands. This is what institutionalizes reforms when they become grassroots demands.

[Lira] You are also going to leave this important post at a very young age for a politician. How do you see your personal future?

[Salinas] As the future of someone who has had this sort of responsibility, a future devoted exclusively to private efforts. Right now I am devoting all of my energies, all of my strength to fulfilling the responsibility with which I have been entrusted. What am I going to do afterwards? I must tell you that I have not had much time to think about it, precisely because I have focused my energies on this responsibility. Two years are going to pass very quickly, but a great many things can happen in two years,

and consequently I have to focus all of my talent and attention on today's responsibility. The subsequent careers of those of us who have held this responsibility are clearly defined, and I intend to adhere to them.

[Lira] Have you given any thought to the fact that you may have to hand over the reins to someone from the opposition?

[Salinas] I will hand over the reins, the duties of president, to whomever the Mexican people choose.

[Lira] And what about your frame of mind? How is the frame of mind of the man who could be the first president since PRI was founded to hand over power to the opposition?

[Salinas] How do I look to you? (smiling)

[13 Nov pp 1, 18, 22]

[Text] Stronger economic ties do not mean political integration, President Carlos Salinas de Gortari asserted emphatically in discussing relations between Mexico and the United States, especially under the future free trade agreement (FTA). "This is a stronger economic interrelationship between sovereign nations," he explains. "Yes, we will have to act very resolutely to preserve our nation's sovereignty."

In the second part of the interview that the chief executive granted to LA JORNADA he indicates that his government has not proposed an internal strategy under which slower growth would be a necessary upshot of lower inflation. "On the contrary," he says, "for four straight years the economy has been growing faster than the population, and at the same time we have lowered inflation."

Here are the questions and answers of this second part of the interview:

[Lira] Mr. President, your government has been repeatedly criticized for what are regarded as excessive ties, through the FTA, with the United States. Some economists there, like Doug Henwood, say that Mexico is in an "unfortunate" position because at present the United States, owing to its delicate economic situation, is the most "sickly" of the industrialized countries. Was the FTA with the other countries of North America our only option?

[Salinas] If the agreement were the only option we had, it would be an inadequate one. But the agreement is one more option, one more instrument in the entire process of economic reform, and to the extent that we diversify our relations with Europe, the Pacific Rim, and Latin America, it will put us in a better position.

It is true that the U.S. economy has problems, but it remains the strongest in the world. Its decline has been proclaimed for several decades, yet it remains. The United States is unavoidably our neighbor. We already have very intense relations with it. The agreement will enable us to put them in order.

The agreement has an additional advantage. Europe has always said nice things about Latin America but done little. I have noticed concrete action from Europe toward Mexico in the wake of the agreement. In other words, the agreement means that Europe may really invest in earnest in Mexico. I found the same thing in Japan and the Pacific Rim. They have really responded with interest, based on the prospect of the agreement.

So the agreement, on the one hand, enables us to pursue already intense relations with the Americans and, on the other, it is becoming the most powerful tool for attracting investment from the rest of the world into Mexico. This also means that we have a chance to enter their markets, the markets in these regions. So the agreement is going to promote a diversification of Mexico's economic ties.

[Lira] In the event that the U.S. Congress rejects the FTA, or if the vicissitudes of electoral politics in Canada lead to its defeat, what would happen to Mexico's economic program or to Mexico's economy?

[Salinas] We have other instruments in place, but I consider the agreement inevitable. The trend in the world is toward the creation of free-trade regions. Europe, which has so many misgivings about Maastricht, will still have its complete free-trade zone on 1 January 1993, Maastricht notwithstanding.

Some four weeks ago the countries of the Pacific Rim met in Singapore and, because they considered the free-trade agreement in North America a fact, decided to set up their own free-trade zone. This is the trend in the world.

The United States will not be viable in the medium term unless it hooks up with a free-trade zone like this, nor will Canada. And we need this additional tool in order to grow faster. So, I consider the agreement inevitable as part of this trend in economic relations and this outlook for the world.

[Lira] And if it is approved, how will Mexico's relations stand with the two major blocs, the European Community and Japan?

[Salinas] Stronger, because it gives us a chance to have more ties with them, brings them closer to Mexico, and puts us in a situation with more opportunities. And since we have emphasized diversification, we are already working on the most advanced trade negotiations with these two regions, in addition to Latin America, to which we attach high priority.

[Lira] Are trade relations with Latin America viable?

[Salinas] Rhetorically speaking, no, but in the real world, yes. Since we signed the free-trade agreement with Chile, trade between the two countries has quadrupled. Events are showing that through free-trade agreements we can

achieve the ideal of integration. Venezuela and Colombia are very determined to have us proceed. We have a commitment on a date from Central America, and Costa Rica even wants to move the date up. Not to mention Bolivia. In other words, there is a strong trend in the region toward our consolidating the prospect of the free-trade agreement.

[Lira] Some in the United States doubt that the Mexican Government can enforce its environmental laws. How can we prevent violations and, at the same time, stop Mexico from becoming a "haven," as they are also saying, for polluting companies?

[Salinas] I think that two things have to be made clear. First, we are prepared, as part of the bilateral relation, to discuss any of the issues that we have been talking about, as long as it does not harm our sovereignty and as long as it makes economic sense.

As far as the environment is concerned, we in Mexico have to make an extra effort to improve the quality of the environment, independent of the agreement and relations with the United States or any other country. We Mexicans need a better environment because of our responsibility to our children and our children's children.

It has cost us so much to reverse environmental damage that prevention is better than cure. Moreover, some damage is practically impossible to reverse. Just look at what it is costing us to improve air quality in Mexico City. We are spending the peso equivalent of more than $4 billion a year. Just look at what it has cost us to clean up our rivers and improve the quality of the water in them, and look at what it is costing us to clean up our bays, the border areas....

All of this is aside from the agreement and from what other countries think. This is on our own, for our own good, but also owing to the ethical, moral responsibility that we have to future generations.

[Lira] The United States is making demands (applying pressure) in connection with the environmental issue, is it not?

[Salinas] Yes, but I think that we are seeing demands on both sides. We also have quite a few things to demand of them. So, when we sit down to talk about the wide-ranging, complex bilateral agenda, they will likely bring up certain issues and so will we, thus showing that our relationship remains complicated, complex, difficult. But we also have the talent to find common ground and carry the relationship forward for our mutual benefit.

[Lira] Such economic integration is inevitably going to lead to political integration.

[Salinas] On the contrary, I would say that we Mexicans have clearly indicated that stronger economic ties do not mean political integration. We are talking about stronger economic ties between sovereign nations. Yes, we will have to act steadfastly to preserve our nation's sovereignty. We cannot be isolated from the world in which we live, and we have not been able to erect barriers to the extremely strong economic ties between Mexico and the United States. What we want to do is marshal them, but in such a way that the political processes are sovereign in both countries.

The Europeans are moving toward political integration. They have set this as a goal, but the votes on Maastricht tell us that they have serious doubts about how to accomplish it. Why? Because they thought previously that they were complete equals and now they are realizing that there seem to be firsts among equals. So they have reservations about the hegemonic tendencies of certain nations on the old continent itself.

We have no problem recognizing that given the unequal relationship between our two nations, any attempt to have economic ties lead to political processes would be detrimental and disadvantageous to Mexicans. This is why we are being so clear and emphatic: Yes to economic ties, but between sovereign nations; no to any possibility of political integration.

[Lira] So we will only be partners?

[Salinas] I do not like that term very much. We will be neighbors who are going to take advantage of our proximity respectfully to secure benefits for our respective peoples, and within the new, complicated, and difficult international context in which we live.

[Lira] Twelve years of Republican administrations have forced both De la Madrid's administration and yours to make a series of adjustments in your economic programs. In light of the recent political change in the United States, will Mexico have to make fresh changes?

[Salinas] Mexico's economic policy has not been a response to political developments inside the United States.

The adjustment that we have been making in Mexico stems from the fact that we had an external debt that exceeded $100 billion, inadequate domestic savings, economic stagnation, and hyperinflation. So, our economic policy has been a response to our own circumstances, as we have had to fit in with international realities today.

I think that to the extent that we can adhere to an approach that emphasizes liberties and justice, we will be better able to cope with the changes in the international political and economic situation.

[Lira] The United States seems determined to return to Keynesianism, under which government will play a larger role in development and greater emphasis will be placed on social issues. Curbing inflation will not be as important as creating jobs, for example. The policy that your administration has pursued has been mainly to bring down inflation, which has been largely achieved. Should government economic policy not shift in that

direction as well, so that government can again be an engine of development and create jobs so that there is less unemployment?

[Salinas] I think that we have to understand clearly the economic conditions in each of our two countries. There is, in fact, talk in the United States about being able to have a bit higher inflation in order to spur growth; they have a three percent annual inflation rate. At times it strikes me that the same people who a few years ago were calling on us to lower inflation in Mexico are now asking why we lowered it so much and saying that we have to learn to live with it. But let us not forget that inflation has reduced the buying power of wages in Mexico. In our country real wages have always increased more with price stability than with inflation.

We have not proposed a domestic economic policy that says that growth must be slowed to cut inflation. On the contrary, we have had four straight years in which the economy has grown faster than the population, and at the same time we have lowered inflation. And for the fifth straight year we intend to have the economy again grow faster than the population and to consolidate an inflation rate of under 10 percent a year, that is to say, single-digit inflation.

I do not agree with the argument that you have to have slower growth to have lower inflation. What I am certain of is that with higher inflation we will not have faster growth. We will show in Mexico that we can have single-digit inflation and, at the same time, keep on growing, at even faster rates in subsequent fiscal years.

When people say that the world is returning to neo-Keynesianism, we first have to see where. First, because we have still not seen the new economic policies, and second, because in Mexico we have been able to avoid throwing ourselves exclusively into the arms of the marketplace and to maintain the capabilities of the state. The strength and guiding role of the state did, of course, decline when it grew inordinately. It forgot the famous popular saying about "biting off more than you can chew." The Mexican State expanded so much that it was unable to promote either growth or social justice.

Today the Mexican State is large enough and strong enough to regulate the market and also promote growth and, above all, justice. I think that this is more in keeping with what Mexicans want.

[Lira] If we have such a fine surplus, why is this money not disbursed to create jobs, for example?

[Salinas] Why do we have a surplus? Just because we are eager to have sound public finances? Or does it have an ulterior and higher purpose?

The higher purpose is that the surplus is needed to keep on lowering inflation. I think that there is a benefit to the surplus, and that we have to take careful note of it. The fact is that a surplus means that we are not in debt. For many years we lived with the burden of debt, which really weighed heavily on the shoulders of Mexicans. This was true about the foreign debt and the domestic debt.

Mexico's combined foreign and domestic debt today is among the lowest in the world. We pay less for it. It no longer weighs too heavily on the shoulders of Mexicans. Four years ago, when I took office, interest payments were three times higher than social spending. Next year social spending will be three times greater than our interest payments.

Reducing our debt through discipline and the budget surplus enables us to spend more on what counts: education, in real terms; housing, with more jobs; health care, with Solidarity.... In other words, we can avoid all of the excess-debt problems that so beset Mexican society a few years ago and, at the same time, respond to the legitimate demand for better schools, hospitals, roads, housing....

[Lira] In your most recent government report you said that we would prevent the benefits of economic recovery from becoming concentrated in the hands of a few, but you did not say how.

[Salinas] The best way to improve income distribution is by creating jobs and improving education. These are the best ways to do it. Some are calling for expropriations, but we have seen that this does not improve income distribution. What the most serious intergenerational studies have shown is that income distribution improves when there are permanent jobs and when there is high quality education. It has been amply demonstrated that the better education is, the better income distribution is.

[14 Nov pp 1, 8]

[Text] We are now in a new international economic order that remains very unjust. The new economic balance of power does not match the new military balance of power. The 1990's are the decade of capital shortages, and there is the danger of trade wars that threaten to make the world more tense. These are some of President Carlos Salinas de Gortari's remarks in the last part of his interview with LA JORNADA.

And in what sounded like a response to those who are proclaiming the end of nationalism and sovereignty, he asserted:

"Owing to our geopolitical situation and our painful historical experience, the value of sovereignty is fundamental to Mexicans."

[Lira] After the end of the Cold War, the globalization of the economy, and the disastrous results of neoliberalism, the institutions meant to organize relations among nations, like the United Nations, and economies, like the International Monetary Fund (IMF) and the World Bank (WB), seem inadequate and even obsolete.

[Salinas] There can be no doubt that the end of the Cold War marks the end of a world and political arrangement

and that it is really much more significant than anticipated. The disappearance of the Soviet Union is an event of extraordinary repercussions worldwide. It seems to me that little thought has been given to what it means, not only because it was a balancing element in a bipolar confrontation (the possibility of having two sides) but also because the Soviet Union was for this entire century a reference point for many in their hopes and for others in their fears. And when this reference point disappeared, and not just a reference point but also a revolution of extraordinary dimensions, we were faced with the absence of an ideological, philosophical, political, and even social paradigm. And as often happens, in light of this vacuum some went too far and assumed that the forces of the marketplace alone could not only enhance economic efficiency but also cure all ills. Many still hold this mistaken view.

This is why I have stressed the need to present the ideological side so clearly. These are times in which ideological clarity is needed above all. And in doing so I have emphatically rejected the neopopulism that made the state the sole actor, and I have embraced social liberalism, which has a great tradition in our history and great strength and vitality. I have done this in these very complicated, complex times toward the end of a century and amid great hopes among Mexicans and throughout the world.

Amid these ideological, political, economic, and financial changes we must proceed to revamp institutions that operate in the economic and the political spheres. A revamping of the United Nations is indispensable. I think that there is a huge imbalance in the Security Council. It is too small; there are noteworthy absences. The General Assembly must also take on greater responsibilities.

At the same time we have heard some propose that multilateral agencies ought to take over national responsibilities, and then there are the people who are proclaiming the end of sovereignty. There are unquestionably values that transcend borders: respect for human rights, the fundamental rights of man. At the same time, though, the value of sovereignty is fundamental to Mexicans, owing to our geopolitical situation.

In this world of changes and multilateralisms we Mexicans cannot allow outsiders to try and interfere in matters that are our exclusive responsibility. Not because we are closed to the values that, I repeat, are respected out of recognition of the human person, but because we are still neighbors of the world's leading power and have a painful historical experience. Consequently, we see sovereignty as a fundamental value.

Forgive me for elaborating a bit, but this argument of supranational values came from what we will call political positions, especially in Europe. Of course! The hegemonic neighbor disappeared, so they could talk right away about moving toward supranational values. But the recent votes on Maastricht have shown us that nationalism and sovereignty are still very strong values among their populations and that, consequently, we must acknowledge that toward the close of the century positive and purposive nationalisms, not exclusionary nationalisms, remain in place. And to us Mexicans this is a source of pride.

[Lira] And what about international economic and financial organizations?

[Salinas] Yes, reform is also needed in multilateral economic bodies, especially in them because the balance of economic power is shifting in the world, and the ones who are more and more in a position to finance them are not the ones that have the most voting power.

So we are looking at the prelude to major changes in these institutions, which are going to be reflected in their internal structures and also in relations with countries.

[Lira] Do you feel that there is a need for a new international economic order?

[Salinas] I do not like to use that term; there has been so much talk about it.... I think that we are already living under a new international economic order. What we have to ask ourselves is whether it is fair, whether this new order is equitable, and whether it gives our developing nations more opportunities. I would say that this new international economic order that we are already living under remains very unjust and one of concentrated opportunities, markets, resources, and technology.

[Lira] And very susceptible to becoming disorderly, would you not say?

[Salinas] Well, the fact is that the new economic balance of power does not match the new military balance of power. There is a mismatch there, and it is going to be reflected in greater strains.

Moreover, the fact is that the 1990's are the decade of capital shortages, because the major exporters of capital in the past are now importers. This is the first time that developed economies are importing capital: the United States and Germany, which is bearing the huge cost of reunification. And Japan's surplus has shrunk.

And less capital means less funding for development, and a further intensification of competition on markets hit by the recessions that we have seen.... The American economy is not returning to growth.

[Lira] And trade wars are in the offing....

[Salinas] Yes, there is a risk of trade wars, especially owing to the lack of a compromise on GATT and the Uruguay Round. This very complicated outlook demands that we Mexicans emphasize what has been the watchword of our international relations: diversification.

[Lira] The close of the last three six-year terms in Mexico has coincided with economic crises or "financial turmoil." Are steps being taken to prevent this from happening this time and to prevent a similar crisis from coinciding with the change of government?

[Salinas] I would say to you that we have been working to ensure that economic change is consolidated over the last two years of the administration. And consolidate means price stability with economic growth. This is why we have straightened out public finances, which means not running a deficit but does mean social spending; this is a fundamental qualitative difference, not just a quantitative one. This puts us in a much stronger position to fulfill Mexicans' expectations of greater economic stability. This is what we are working toward.

[Lira] Lastly, Cuba. Even though your administration has denounced the Torricelli Act, the fact is that not much headway has been made in integrating Cuba into Latin America. For example, why is Cuba not part of the San Jose Pact, since it needs oil so badly?

[Salinas] From the beginning it has not been. This is not a recent development. At the Latin American meetings that we have held Mexico has always been respectful of and cordial toward Cuba. When will Cuba be able to become more of a part of the Latin American community? That depends on Cuba itself and on the community. We have economic and trade relations with Cuba that do not depend on external circumstances.

[Lira] Many were surprised by your agreeing to meet with Mas Canosa and Montaner. Why did you?

[Salinas] I have said that while maintaining respectful, cordial relations with the Cuban Government, we recognize the plurality of that people, just as the Cuban Government has a dialogue with the plurality of the Mexican people, and consequently we can be part of this dialogue.

[Lira] Do you mean to say that as far as the Mexican Government is concerned the Cuban-American National Foundation that Mas Canosa heads is a valid, legitimate representative?

[Salinas] No. It is simply another member of the pluralist Cuban community with which we have been conversing. It means that alone.

What I mean is that Mexico fully respects whatever internal processes the Cubans decide on. But Mexicans are not going to be indifferent to what happens to Cuba. We Mexicans cannot ignore whatever changes the Cubans decide on, because they are going to have repercussions inside Mexico and throughout Latin America. This is why we have to keep in touch with the entire range of opinions, because this is the best way for us to see how what happens there, what happens in the United States, what happens in Latin America will affect us. At the same time, I repeat, we must respect the Cubans' exclusive responsibility. All of this, as it relates to Cuba, affects us, and therefore we cannot remain unconcerned about any of these circumstances.

* Investors Discuss Cuban Textiles Project

* Bancomext Support Cited

93CA0033A Monterrey EL NORTE in Spanish 27 Oct 92 p 21A

[Report by Jesus Chavez]

[Text] Monterrey businessmen will be making the largest foreign investment in Cuba's history when they team up with the Cuban Government to produce and market textiles.

The partnership agreement, which establishes the International Textile Corporation (ITC), was entered into on 17 October.

The Cuban Government has a 45 percent share in the company, while Monterrey businessmen Danny Tafich and Mauricio Fernandez own 45 and 10 percent respectively.

The Monterrey businessmen will initially invest around $50 million in raw materials supplies and marketing projects.

The purpose of the new mixed enterprise that we have created is to export and market fabrics and other textiles on world markets, said Mauricio Fernandez.

The ITC partner stated that the Cuban Government's basic contribution to the investment project would be 15 production plants with assets valued at close to $500 million.

"It is important to note that the new enterprise will be the sole importer, distributor, and marketer of the flat products produced in Cuba, and that it will have a preemptive right in marketing other items," he indicated.

Among the advantages of investing in Cuba are its proximity to major international markets, low labor costs, and the special tariff treatment that our company will receive, said Danny Tafich.

The ITC executive explained that initially whatever textiles are produced would be earmarked for the Canadian, Panamanian, Venezuelan, Mexican, Argentine, and Japanese markets.

Both partners will benefit from this joint venture, he added, with the Cuban Government having a major share in the company's profits, which it could use to pay off some of its $300 million debt to Mexico.

The foreign partners will, in turn, make a profit from exporting and marketing the goods.

Castro's Backing

"Moreover, the backing that Fidel Castro has given to this project shows how interested this country is in

harnessing foreign investment in the most appropriate way and in entering the world of business 'with its feet on the ground,'" noted Mauricio Fernandez.

Fernandez said that many Monterrey businessmen are increasingly interested in investing in the island.

This project, Tafich commented, had major support from the National Foreign Trade Bank of Mexico (Bancomext), which provided financial backing to the Mexican partners.

Moreover, he stated, 70 percent of the fibers that will be used in the production processes would be of Mexican origin.

The Monterrey businessmen agreed that although Cuba has modern textile plants, they lag far behind in raw materials and product quality.

"This is mainly because in previous years the output from these plants was designed to meet the needs of the socialist market, which did not demand international quality standards," they asserted.

In this regard, Tafich remarked that the goal of the International Textile Corporation is to provide technological backing for the production of quality garments that can meet the needs of world markets.

"Japanese and Canadian companies are interested in taking part in this project, and Korean and Panamanian firms have also expressed some desire to get involved in this," he explained.

Tafich said that the plants at which they will be producing were built after the Cuban Revolution.

"We are not trying to take possession of what someone might regard as an achievement of the revolution; rather, we are interested in doing business, from which both we and the Cuban people will benefit," he indicated.

[Box, p 21A]

The Project

Company: International Textile Corporation

- Participants: The Cuban Government will have 45 percent and Monterrey businessmen 55 percent of the joint venture.
- Total investment: Around $50 million will be invested initially in marketing projects.
- Assets: $500 million
- Profile: The company comprises a total of 15 textile plants, which will employ 35,000 workers.
- Objective: To export high-quality products to international markets.
- Items to be produced: Mainly cotton textiles
- Output capacity: As much as 376.2 million square meters of finished flat textiles.

Where Are the Plants? (Cities in Which the 15 Textile Plants Are Located)

Havana, Matanzas, Santa Clara, and Santiago de Cuba.

Photo Caption [photo not reproduced]

Seated from left to right are Pedro Hernandez Rifa, signing for the Textile Union on behalf of the Cuban Government; Danny Tafich, representing the international partners and signing on behalf of Danta Industries Overseas; and Mauricio Fernandez, representing himself. Standing from left to right are Carlos Lage, the Cuban prime minister; Ernesto Melendez, the minister chairman of the State Committee for Economic Cooperation; Oscar Alfonso Montalban, the negotiator for the Cuban Government, and Eddy Fernandez, Cuba's minister of light industry.

* Production Plans Noted

93CA0033B Mexico City LA JORNADA in Spanish 7 Nov 92 pp 56, 40

[Report by correspondent David Carrizales]

[Text] Monterrey, Nuevo Leon, 6 Nov—"Cuba is making efforts to transform its economy in the direction of the free market and offers good business opportunities," remarked Mauricio Fernandez Garza, one of the Monterrey businessmen who have just put together the biggest foreign-investment project ever with Fidel Castro's regime. Cuba will contribute a total of over $500 million in assets, in the form of 15 textile plants that can employ 33,000 workers and put out 370 million square meters of fabric a year.

On the Mexican side, businessmen Danny Tafich and Mauricio Fernandez Garza will invest $50 million. According to the most optimistic projections, if all of the output is placed on world markets, the Cuban and Mexican partners will earn $400 million a year.

To give an idea of the size of the project, which was launched on 17 October, Mauricio Fernandez Garza, a former FAN [National Action Party] mayor of San Pedro and great-nephew of Mr. Eugenio Garza Sada, explained that the two main plants, in Santa Clara and Santiago, cover 32 indoor hectares.

In addition, Fernandez Garza said, the machinery is state of the art in this type of business. The Santa Clara plant was built by Japanese specialists using Belgian technology; the Santiago plant was built by Russians with their own technology.

Fernandez Garza, who is also a co-owner of the Monterrey firm Pigmentos y Oxidos (Pyosa), indicated that the 15 plants in which they will invest to set up the mixed international textile enterprise are currently working at 10 percent of their capacity owing to lack of raw material, spare parts, and capital, mainly because of the U.S. blockade.

He explained that the new company's output would be mostly raw fabric. It will soon move into dyeing and ultimately into prints. The design will be imported from Italy and Germany, while the quality control will be handled by Mexican specialists, who left for the Caribbean island this week.

At present the Mexican textile industry is being invaded by fabrics from China. "Soon it will be fabric from Cuba, with Mexican raw materials, and some of the profits that the Cubans make will go to pay their external debt to Mexico," he asserted.

As to why they are setting up shop on the socialist island, which a travel agency in Monterrey is promoting with the slogan "Visit one of the last communist countries in the world," Fernandez Garza indicated that an entrepreneur has to see where his businesses can be most successful.

He explained: Cuba has made major investments in machinery and equipment and has a low-cost, trained work force, but it needs funding, raw materials, transportation, logistics.... "If we tie all these factors together, they take on enormous value."

He predicted that if Cuba changes its economic approach, as it is now starting to do, "it will have a very impressive takeoff, far beyond any other Latin American country, because it has an educated, cultured, healthy people."

He felt that with the passage of Decree Law 50 by the Councils of State and Ministers in March 1991 Cuba took an extremely important step forward toward more open trade.

Addressing the issue of the economic blockade, which the Torricelli Act seeks to intensify, Fernandez Garza remarked that U.S. officials "lack creativity" because for more than 30 years they have stuck with the same measures in trying to topple Commander Fidel Castro and in so doing have brought suffering to 10.5 million people.

"If the Americans looked more closely at the situation in Cuba, they would realize that there will never be an uprising against the commander. This is a richly endowed country, with a huge coastline. They may not have toothbrushes, but there will always be fish to eat."

He also reported that thanks to the good relations that he has had over the past three years with top-level Cuban Government officials, such as Carlos Lage, the secretary of the Council of Ministers, he has gotten information on the Caribbean island's priority investment projects and has served as a liaison and mediator for new investments.

He remarked that Monterrey businessmen who are interested in making deals would be traveling to Cuba next week. "We are working on tourism, mining, tilemaking, electric cables, and supplies for the tourism industry."

There are also investment opportunities in sugar mills, the citrus industry, oil, paper, mining, and tourism. He noted that the Castro government wants to boost the number of hotel rooms on Varadero beach from 5,000 to 20,000 and also seeks to increase its annual nickel production from 50,000 to 70,000 tons.

He said that this very month the approach to Cuba could shift from seeing what can be bought there to "seeing what we can produce for them on the island to help them generate foreign exchange. This is the approach that I am after."

He said lastly that the "investment proposals" that he has brought the Cubans are "quality" and asserted that the Cubans are honest and serious in their dealings and have what it takes to be entrepreneurs.

Costa Rica

Parties Form New Political Coalition

PA0412220492 San Jose LA NACION in Spanish 22 Nov 92 p 4-a

[Article by William Mendez]

[Text] After several weeks of discussions, four of the country's political organizations agreed on 21 November to form a new political bloc at the canton, provincial, and national levels.

The agreement was signed by the Humanist Party [Partido Humanista], Ecological Party [Partido Ecologista], National Progress Party, and United People's Party [PU], which will seek to participate in the next elections under the name of Democratic Force [Fuerza Democratica]. The symbol of the new movement will be an orange flag.

According to Deputy Dr. Rodrigo Gutierrez and Professor Isacc Felipe Azofeifa, there were other political groups represented at the meeting, including the National Agrarian Party [Partido Agrario Nacional—PAN], the Laborite Party [Partido Laborista—PALA], and delegations from independent groups from San Ramon, Palmares, and Guapiles.

The statutes of the coalition grant the constituent groups the option of retaining their autonomy. That is how it seeks to incorporate other regional organizations that have representatives in the Legislative Assembly, such as the Patriotic Union [Union Patriotica—UP] and the Cartago Agricultural Union Party [PUAC] within the next few months.

The organization's president is Professor Isacc Felipe Azofeifa who was a presidential candidate for the National Progress Party in the last elections. Other members of the leadership are entrepreneur Alvaro Marin, who on behalf of the independent organizations will serve as secretary general, and Rigoberto Hernandez of the Humanist Party, who was appointed treasurer.

Deputy Gutierrez Saenz explained that the philosophical principles of the coalition are within the framework of the search for perfection in democracy in the economic, political, and social fields and the development of the individual so he can cope with society.

The group will formalize its inscription before the Supreme Electoral Tribunal early in 1993 and will hold its first convention on 1 May 1993.

El Salvador

Army Demobilizes Counterinsurgency Battalion

PA0512195892 Panama City ACAN in Spanish 1616 GMT 5 Dec 92

[Text] San Salvador, 5 Dec (ACAN-EFE)—The Salvadoran Army demobilized a counterinsurgency battalion of over 500 men in the central department of San Vicente, 60 km east of San Salvador, on 5 December in fulfillment of the peace agreements signed last January between the Salvadoran Government and the guerrillas.

The demobilization of the "15 September" Battalion took place at the San Vicente stadium and was presided over by Colonel Rene Arnoldo Majano, commander of the 5th Infantry Brigade.

A spokesperson for the military garrison told ACAN-EFE that the "15 September" Battalion was created to defend the 15 September hydroelectric plant during the last years of the war.

He added that the troops staged counterinsurgency operations in the lower part of the Lempa River. The spokesperson said that now "that the war has ended, they are confident that the Farabundo Marti National Liberation Front [FMLN] will honor its commitments" and are rejoining civilian life.

This battalion and others that depended on the departmental military units have been demobilized over the past months without specific dates as part of the peace calendar but within the framework of the Armed Forces commitment to reduce its troops.

The Salvadoran Government and FMLN signed over 100 agreements ending virtually 12 years of war that left over 75,000 dead, more that 7,000 missing, and vast economic losses.

According to the last rescheduling of agreements, the FMLN must demobilize a total of over 9,000 troops and have destroyed its weapons by 15 December 1992. The government must implement other fundamental agreements, including a purge of Army officers.

Both Defense Minister General Rene Emilio Ponce and Igbal Riza, director of the UN mission in El Salvador, have confirmed the demobilization of the "Atlacatl" Rapid Deployment Infantry Battalion by this coming 8 December.

The demobilization of this battalion, together with four others trained in the United States, was included within the timeframe established for the execution of the agreements signed in Mexico City on 16 January. So far the "Ramon Eusebio Bracamonte" and "Ramon Belloso" elite battalions have been demobilized.

For its part, the FMLN has demobilized 7,229 members, 80 percent of the total, and according to the Onusal director, the last contingent will demobilize on 14 and 15 December.

The rebels also began to destroy their weapons on 2 December under UN verification.

Government Conditions Dismantling of Battalion

PA0812015192 San Salvador Radio Farabundo Marti Network in Spanish 1800 GMT 7 Dec 92

[Text] The government of Alfredo Cristiani has once again made the dismantling of the elite Armed Forces battalion conditional upon UN certification of the weapons inventory presented by the Farabundo Marti National Liberation Front [FMLN], it was officially reported.

According to the reports, President Cristiani stated the demobilization of the Atlacatl Battalion, which is scheduled for 8 December, will depend on the UN certification on the inventory of weapons of the FMLN.

Meanwhile, Cristiani said he supports the suit presented before the Attorney General's Office by Generals Rene Emilio Ponce and Juan Orlando Zepeda. The generals filed charges of slander against the nongovernmental Salvadoran Human Rights Commission and the National Union of Salvadoran Workers.

Workers' representatives stated they have well-documented evidence on the human rights violations by the Army, which will be presented in due time.

Minister Criticizes Groups Seeking U.S. Boycott

PA0812031292 San Salvador LA PRENSA GRAFICA in Spanish 7 Dec 92 p 3

[Text] Labor Minister Dr. Mauricio Gonzalez Dubon said: "The boycott requested by Christian Democratic Party, National Peasant-Worker Unity [UNOC], and Salvadoran Workers National Union Federation [Fenastras] leaders to force the United States to close its market to preferential products could cause grave economic and social consequences for our country."

He added that the general system of preferences benefits our agricultural production and encourages nontraditional exports. In addition, exports generate foreign currency and create jobs, which benefit about 42,000 workers.

Gonzalez added that most export products are agricultural, such as melons, unrefined sugar and molasses, sesame seeds, broccoli, beans, and fruits. Manufactured and semimanufactured products and handicrafts are also exported, but to a lesser extent.

"Agricultural products are very important because they are labor intensive and thus provide the greatest source of work for the people in the countryside. Sugar cane alone generates about 4.5 million work shifts a year, equivalent to about 23,000 additional jobs because of the transformation process of sugar and molasses," Gonzalez said.

He said that melons generate 1,800 permanent jobs in planting, harvesting, and packaging, without counting indirect jobs such as transportation.

Dr. Gonzalez Dubon underscored that other agricultural products such as broccoli, beans, string beans, and okra, which is all exported to the U.S. market, generate over 9,000 direct and indirect jobs.

All these products, he added, will suffer from the boycott, which will also hurt handicraft, textile, and wood workers.

"The boycott requested by UNOC's Amanda Villatoro, and Fenastras' Juan Jose Huezo and Miguel Ramirez, cannot be described as anything other than unpatriotic because they try to sell our dignity and obstruct the productivity of our peasants, the minister concluded.

Guatemala

URNG Calls For Human Rights Agreement

PA0512154592 Guatemala City PRENSA LIBRE in Spanish 4 Dec 92 p 12

[Communique issued by the Guatemalan National Revolutionary Unity General Command]

[Text] There is justified national and international concern about the progress of the negotiation process to find a political solution to the internal armed conflict and the national crisis in our country.

One year of discussing the human rights issue has shown the problems and obstacles that prevent a comprehensive agreement on the issue. It is therefore reasonable that doubts and confusion have emerged.

The above is even more the case when there is a systematic and daily campaign of propaganda and disinformation by the government and its highest ranking military authorities who are trying to create confusion about the content of the disagreements and the reasons for the obstacles.

They are using slander and provocations in an attempt to invalidate the Guatemalan National Revolutionary Unity [URNG] as a legitimate interlocutor with the objective of making negotiations impossible and resorting to a military solution.

We are therefore at a crucial moment in the country's life involving the possibility of a serious and consistent negotiation process and the construction of democracy.

The URNG General Command clarifies to the national and international public the implications of this situation both for the country's life as well as for the negotiating process itself.

The Reason for Human Rights

In a country with a past and current history such as Guatemala's, the issue of human rights and their validity, respect, and verification are an inescapable and substantial starting point for any political solution.

It is not surprising that this is an extremely complex, difficult, and thorny issue. It affects society, which has been a victim of the violation of human rights. It involves those who have violated and those who continue to violate those rights. It is not merely one more issue or a simple juridical exercise. Therefore, it requires specific, immediate, and verifiable solutions.

Its solution goes beyond mere words and must be comprehensive, so one cannot speak in partial terms. One must not confuse wishes with reality. It is a trial by fire for a democratic outlook and for political resolve, recognizing and demanding the state's obligatory responsibility regarding the issue. This is basic, inalienable, just, and necessary.

Throughout this year of difficult negotiations the URNG has maintained that a comprehensive agreement on this issue is essential and that such an agreement must include basic points that will guarantee compliance.

The Reason for Immediate Implementation

The immediate implementation of a comprehensive agreement on human rights marks the difference between a real negotiation that gains credibility because of its achievements and a formal process doomed to be a failure or a sham.

Because of the nature of human rights, their enforcement cannot be delayed so the process can advance. To delay compliance with an agreement on this issue is to legitimize the violation of those rights for the duration of the internal armed conflict.

That is why the government's arguments and subterfuges to delay implementation is reproachable and unacceptable.

The Reason for International Verification

International verification plays an essential role that cannot in any way be removed from a comprehensive agreement.

This is not a new point the URNG is proposing, as the government is maliciously indicating. Immediate implementation entails and demands international verification so compliance will be effective.

Trying to separate immediate implementation from international verification shows there is no political resolve to sign an agreement and, what is worse, to fulfill it.

Agreements on specific points are of little use if they are not guaranteed with implementation mechanisms. Such is the case regarding the immediate international verification sought by the URNG that Guatemala needs for the comprehensive agreement on human rights that the government refuses to accept.

The aforementioned are the essential points on the disagreements that have thus far prevented the signing of a comprehensive agreement on human rights. That is the truth, regardless of how much effort is being made to hide or distort it.

Implications and Significance in Current Times

The real problem with human rights and the discussion of them is not only present at the negotiating table. The situation is much more serious and delicate because of its implications for the country's life.

The negotiating table is a reflection of the contradictions that emerge around something fundamental: the end of repression, abuse, and impunity or their maintenance at any cost.

That is why we define this historic moment as crucial. A bogging down in the negotiations is not the only thing at stake. There is a real and specific danger that due to the exacerbation of recalcitrant positions and as a show of the strength and power of this faction within the Army, there will be an increase and intensification of a new wave of repression aimed at silencing the voices of protest, suppressing just demands, and eliminating the possibilities for a political solution.

There are actions that point in that direction: clumsy provocations, cynical distortions, and unequivocal statements and plans by those carrying them out. The harbingers of death and repression announce one more tragedy.

The URNG Calls on the National and International Public

We call on the Guatemalan people, all civilian society, to be alert. They must report any abuse or repression. They must not be deceived by publicity stunts or allow themselves to be intimidated. They must continue forward in the struggle for their legitimate rights.

We call on the Guatemalan Government and President Serrano to think about things calmly and objectively, assume the great historic responsibility before them, and sign the comprehensive agreement on human rights with immediate implementation and international verification. They must also prevent the desperate and dangerous reactions of the recalcitrant sector within the Army high command.

We call for the attention, watchfulness, and solidarity of the international community, the human rights organizations, and all humanitarian institutions so the comprehensive agreement on human rights will be signed very soon and so it will be strictly respected and verified. That is the only way to stop and prevent the repressive and warmongering plans already in motion.

Government Commission President on Peace Process

PA0512215292 Guatemala City SIGLO VEINTIUNO in Spanish 4 Dec 92 p 6

[Excerpt] [Passage omitted]

Conde: The Guatemalan National Revolutionary Unity [URNG] Does Not Want The Peace Process To Be Consummated

Manuel Conde, president of the Government Commission for Peace, said on 3 December that the URNG has violated the agreements signed with the government regarding human rights and UN verification, which proves their lack of political will to consummate the peace process in the country.

He added "the government has respected the agreements signed with the rebels. They have, however, intransigently and regressively, ignored the agreements, which means they have no political will to negotiate."

He warned there is a great problem at this time, because altering the agreed upon procedures implies a regression in signing a final peace agreement, which the Guatemalan people have wanted for 32 years.

Conde criticized the rebels for demanding things that had not been agreed upon. This significantly alters the path for finding common criteria among the parties and, above all, it stalemates the conversation.

The government does not plan to withdraw its peace commission from talks with the rebels even though the process is going through a critical stage. We would be the last to make such a decision if the URNG was to withdraw from the talks, said the member of the commission that negotiates peace with the guerrillas.

Furthermore, the official said "the commission I head is carrying out different trips abroad to denounce the arbitrary and abusive attitudes of the URNG which block the peace process in our country."

As a first step, we will establish contact with the Mexican authorities and the diplomatic corps accredited to that country to let them know that the Guatemalan Government is not blocking the negotiations, but the rebels are, he said.

"Besides, we will disclose the terrorist activities of the URNG against the country's infrastructure, and mainly against the civilian population, who—in the end—are the ones affected," said Conde.

Army Spokesman Says URNG Delaying Peace Process

PA0812002192 Guatemala City Teleonce Television in Spanish 1800 GMT 7 Dec 92

[Text] The government and the Guatemalan National Revolutionary Unity, URNG, blame each other for the lack of progress in the peace process. [Frigate Captain] Julio Alberto Yon Rivera, spokesman for the Army Information and Press Department, stated the URNG is using various means to block the progress of the negotiation process.

[Begin recording] [Yon] The climate of terror and violence the URNG is unleashing in Guatemalan territory against the civilian population is an obstacle to the peace process. Examples are the murder last week of a girl surnamed Chinchilla, 18, at a highway assault point, the destruction of electric power pylons, and the spillage of thousands of barrels of oil in Peten Department. These terrorist activities are a serious obstacle to the Guatemalan peace process. Not only are they a political obstacle, but these actions truly cause terror and prevent Guatemala from attaining peace.

[Unidentified reporter] Do you believe the URNG wants peace?

[Yon] The truth is they have not fully defined their political resolve to begin the peace process. They are interested in dragging on the conflict to maintain their infrastructure abroad and continue their luxurious lifestyles and expensive travel. [end recording]

URNG Denies Army Occupied 5 Guerrilla Camps

PA0812041692 Guatemala City PRENSA LIBRE in Spanish 6 Dec 92 p 22

[Text] The Guatemalan National Revolutionary Unity [URNG] has denied that the Army occupied five guerrilla camps and, after dislodging insurgent forces, found bags of marijuana.

In a communique the URNG denied this report, adding that it is part of a campaign launched by the military to discredit and undermine the prestige of the insurgent forces.

What happened, the communique stated, is that the Army entered civilian populated areas called Commmunities of Resistant People [CPR], removing the people from their homes, before perpetrating yet another massacre.

According to the URNG, the Armed Forces dislodged areas populated by the CPR in order to destroy their homes and rob and kill their animals as a rejection of their status as nonbelligerent civilians.

The URNG General Command called on the United Nations, the International Red Cross, and the OAS Inter-American Human Rights Commission to visit the area and to end the actions against the CPR.

Belizean Prime Minister on Recognition Agreement

PA0812034892 Guatemala City PRENSA LIBRE in Spanish 6 Dec 92 p 3

[Text] The Guatemalan Government has accepted an extension of its maritime territory and an exit to the sea

in exchange for recognizing Belize's independence, according to Belizean Prime Minister George Price.

According to Absalon Galvez, correspondent in Peten Department, Price called the leaders of his party to a special assembly of the members of his cabinet, at which he informed them of his government's achievements.

Price told them he was pleased with the resolution issued by the Constitutionality Court [Corte de Constitucionalidad] and by Guatemalan deputies, who supported President Serrano's decision to recognize the independence of Belize.

Price said this maritime area will allow Guatemala to strengthen its fishing and tourism industry and other commercial activities, which will allow this part of the territory to develop at the same rate as Belize.

According to Price, Belize intends to strengthen its trade relations with Guatemala and continue dialogues with Guatemalan investors to strengthen our economies.

Nicaragua

Assembly Failure to Obey Court 'Disobedience'

PA0312171392 Managua Sistema Nacional de Television Network in Spanish 0300 GMT 2 Dec 92

[From the nonofficial "Extravision" newscast]

[Text] Only the executive has the power and means to make Assembly President Alfredo Cesar comply with the ruling by the Supreme Court of Justice, Attorney General Guillermo Vargas Sandino has told "Extravision."

[Begin Vargas recording] The executive has the power to enforce and support the rulings of the judicial branch. The judicial branch cannot enforce its rulings—this can only be done through the executive. [end recording]

Vargas said disobedience of rulings by the Court constitutes an offense that may be tried under the country's common laws and courts.

[Begin recording] [Vargas] A number of mechanisms can be applied when rulings issued by the Supreme Court of Justice are not obeyed.

[Unidentified Reporter] Will the disobedience by the National Assembly be considered a common crime and taken to court?

[Vargas] The failure to abide by the Court's ruling could be construed as disobedience.

[Reporter] Can this case be taken to court?

[Vargas] Yes, it could. [end recording]

Lacayo Meets With Donor Country Representatives

PA0412211592 Managua Radio Nicaragua Network in Spanish 1100 GMT 4 Dec 92

[Text] Presidency Minister Antonio Lacayo Oyanguren said that over the two days of work with the representatives from the community of donor countries, the government and the delegates successfully discussed Nicaragua's economic and social situation.

Lacayo added we should feel proud, satisfied, and encouraged by the meeting's success, because the government's economic cabinet, as well as other officials, spoke openly and honestly with the donor community, thus letting them know what the Nicaraguan people expect at the end of this year.

All the aspects, social and economic, discussed during the meetings were understood by the international community and we will continue to move forward in order to take Nicaragua on a path of peace and welfare, said Presidency Minister Lacayo.

[Begin Lacayo recording] After two days of work, during which the Nicaraguan Government and the donor community discussed the country's economic, social, and political situation, we can only feel satisfied and encouraged by this meeting's success.

As representatives of the Nicaraguan people, the government cabinet attended these very important sessions convinced that we had to take advantage of this opportunity to openly and honestly express to the donor community how the people feel at the end of 1992.

We told the donor community that Nicaraguans are happy because we have attained peace, consolidated our democracy, and advanced in the reconciliation of the Nicaraguan family. We have strenghthened the de jure state; stabilized our currency; and advanced in the privatization of the state-owned enterprises, including signing a number of agreements with those enterprises' workers. We have advanced towards a solution to the problem of properties; restructured the State banking system; halted the eight-year fall of production; and begun—although modestly—our country's economic take-off.

However, we have also told the donor community that in Nicaragua we are deeply worried, because the economic growth we had projected for 1992 will not reach the level we projected and wanted. We are also deeply worried about the high rate of unemployment and underemployment in our country and the lack of credit—especially for the small and mid-size farmers and the new emerging sectors of our society. We are worried by the political polarization that sometimes seems to regain strength in our country and turns into violence as we have seen over the last few days.

We are also worried by the large amount of weapons still in the hands of civilians in spite of the efforts undertaken by the government to recover and destroy those weapons.

On their part, the community of donor countries, represented by 24 countries, (?12) multilateral organizations, and four international financial organizations, told us they felt happy because of Nicaragua's achievements over these last two years: peace, democracy, reconciliation, the elimination of the [word indistinct], the advance in the structural adjustment program, the opening of private banking, the purging of the State banks, and privatization.

However, they also told us that they felt deeply worried by the high rate of unemployment, lack of credit for small producers—mainly agricultural, the problems with properties, the conflict within our society, the tendency to increase the political polarization in the country due to the violence they had seen in Nicaragua over the last few days.

Therefore, it is clear that at this meeting the Nicaraguan Government and the community of donor countries have agreed, both on the achievements obtained by the country over the last two years, and on the problems it is facing and the challenges that still lay ahead.

It is also interesting that we have also agreed on possible solutions to these problems and on the path we must take through 1993 and future years. [end recording]

'Radio Mujer' Station Inaugurated 5 Dec

PA0712213992 Managua Radio Sandino in Spanish 1230 GMT 6 Dec 92

[Text] Radio Mujer was inaugurated on 5 December. Throughout this newscast, we will read the many letters of congratulations sent to Radio Mujer. We would also like to make some things clear. It us unfortunate that some people have been trying to distort an idea that is so humane and a proposal for peace and reconcilation, the things Radio Mujer is all about. These people have been saying the radio was stolen, or that the Sandinists own it, or that this is a cousin of Radio Sandino, and so forth. (Mario Curtis) will now read the letter that Sergio Andreon, the person who donated Radio Mujer, sent to Reinerio Montiel, director of the Nicaraguan Administration of Radio Air Space.

[(Curtis)] Dear Mr. Reinerio Montiel: I Sergio Andreon, an Italian newsman residing in Managua, Nicaragua, hereby inform you that I donated Radio Mujer's transmitter, console, and other equipment to newswoman Ada Luz Monterrey, as she is the prime mover of a project by the Foundation of Women Reporters of Nicaragua. This was accomplished at a public ceremony held at the Central American University and covered by most news media.

In addition, I would also like to remind you that my wife, Juanita Ponce Rodriguez, member of the Foundation, asked me on several occasions to transfer FM frequency 94.7, which you assigned me, to Ada Luz Monterrey, and afterward to professor and reporter Ofelia Morales. Because you said the law does not allow it, we decided to keep it under the old name, although it would be used by the Foundation of Women Reporters, even if my wife was given a license to operate this radio station. I am making these explanations because some reporters misinterpreted the remarks I made in your office. Sincerely, Sergio Andreon. With copy to Danilo Lacayo, Foundation of Women Reporters, and Pablo Vigil, director of the Nicaraguan Telecommunications and Postal Services Institute.

* LA PRENSA Views on Chamorro Criticized

93CA0024C Managua EL NUEVO DIARIO in Spanish 31 Oct 92 p 4

[Editorial: "LA PRENSA's Mistreatment of President Chamorro"]

[Text] The way LA PRENSA's editors are treating President Chamorro is incredible. With the greatest disrespect they hurl accusations at her, insult her, and, to use the vernacular, they want to make her bite the bullet and engage in battle against the head of the Sandinist People's Army [EPS]. This would just be the start of a more extensive operation against the Sandinists.

That paper's campaign is disrespectful because it supposes that the president lacks any idea of her own about what she should do to govern this nation, simply because she does not bow absolutely to the orders of the three [right-wing] prophets of doom.

They say Humberto [Ortega] has conducted a "Technical Coup d'Etat" against her, but this is an attempt to bolster their own efforts to take away her authority, as they consider her weak and even a puppet of the Sandinists.

This entire manipulative campaign displays once again LA PRENSA's complete identification with the intransigent sectors, the sworn enemies of reconciliation and the eternal lovers of destabilization, whose hopes are pinned on the installation of a rightist dictatorship.

That identification is proven with their silence about Mayor Aleman's outrageous misuse of the municipality's funds to finance his campaign of hatred against the people.

They maintain the same silence about unconstitutional abuses, not mentioning the mismanagement practiced by the head of the Judiciary who is working to arbitrarily impose the provisions and laws of a spurious National Assembly composed of substitutes of substitutes, the sole such case in the parliamentary history in the world.

And what need we say about their position on Virgilio Godoy? Not only do they cover up the falsity of his lies, but they enthusiastically promote and publicize them.

The LA PRENSA editors' rightist hatred has led them to take positions against the president, their leader, to try to manipulate her so she can be ousted from the presidency.

And what about the people's problems? They are ignored. They do not deserve space in their columns, and if they ever are reflected there, it is so that they too can be manipulated.

* Commentary Rejects Criticism of 'Pinata'

93CA0024A Managua BARRICADA in Spanish 29 Oct 92 p 7

[Commentary by Augusto Zamora]

[Text] Several weeks ago the attorney general reported that a house had been restored to its former owner, Aristides Sanchez, the former head of the Contras. That property, he said, was returned painted and in good repair, with a new roof and a new structure—built with state funds—which was not part of the house, but which was returned with it. This was the reward for the loyal servant of the foreign power who made war on Nicaragua.

This case illustrates the intentions of the present government, which considers it an act of justice to return property to subjects who betrayed their country, who adopted the flag of their real country (their Nicaraguan allegiance was nominal). If Sanchez had been a North American serving the former USSR and had preached war on his nation, he would have been sentenced to death in the United States. In Nicaragua, the government rewards and glorifies treason.

This government appears to confirm the view that history repeats itself. After Zelaya's overthrow, the United States forced Nicaragua to pay compensation for the mercenaries Cannon and Groce, who were shot in an act of legitimate self-defense by Zelaya's government. In 1910 the poor nation of Nicaragua had to pay $50,000 for the U.S. mercenaries. To get an idea of what that would be worth now, multiply it by 1,000.

To illustrate the differences, those who defended Nicaragua's sovereignty and independence have been the targets of massive layoffs, political reprisals, underhanded persecution, and finally, of the OOT [Office for Territorial Organization], an agency created to render illegal the maximum number of properties acquired under Laws 85, 86, and 88.

An Old Oligarchical Maxim

After two and a half years, it is naive to believe the government intends to respect its accords with the Sandinists. Applying the old oligarchical maxim of "you can make me sign, but you can never make me comply," the government has violated the accords, respecting them just long enough to gain strength and delude us.

The property issue agreements were not destined to enjoy a better fate than those on labor stability (thousands of Sandinists have ended up in the street), or on the Armed Forces leadership (heads have rolled in the police, and the Army's turn is coming). It is now the turn of the people who benefited from Laws 85 and 88, whose lack of unity and disorganization (at times through stupid pride) are aiding the government's work.

During the years of revolution we Sandinists did what we did, and we did a lot. Many things well, others poorly, but we always acted out of a profound love for Nicaragua; we did not betray our country nor did we betray ourselves. We could have stolen a lot, and we did not steal (Laws 85, 86 and 88 were necessary precisely because we had nothing). We may state with pride that the Sandinist administration was the most honest and unselfish Nicaragua has ever had, and that never before had so many people from so many sectors worked together to make Nicaragua a free, prosperous, and honorable nation. Foreign aggression (and our own mistakes) frustrated our plans.

The election defeat took us by surprise, and in three months we tried to save what we could out of what was left still pending, largely because we believed we still had time. From this time of improvisation emerged Laws 85, 86, and 88, designed to give something to an immense mass of Sandinists and poor people who would be sunk in poverty at the hands of a government bent on revenge. Some people took advantage of this situation to enrich themselves, but their immoral actions do not invalidate the fact that there was a democratic and legal property distribution.

A Common Defense

The right wants to make us ashamed of those laws, and it has coined the term of "pinata." Displaying its excessive antinationalism, an evening newspaper published an article by an Army deserter who said: "I would rather be called a traitor than a thief." That statement summarizes better than anything else our opponents' concept of "nationhood," although it does not go far enough. Those who accuse us of being "pinata profiteers," in addition to being traitors, are thieves as well (Antonio Ibarra is not the exception, but the rule). They suffered more from the Miami hurricane than from the crushing poverty the Nicaraguan people have endured.

The right's efforts to discredit Sandinism clash with the reality of the everyday plundering of Nicaragua by these very same people who proclaim their superiority to us (the present corruption will soon exceed that of the Somozists). The people who filled their pockets with U.S. dollars to bathe in blood and destroy Nicaragua lack any moral authority to point their finger at anyone else.

Sandinism is strong enough to defend itself from those trying to turn it into a pariah. The immediate challenge we face is to make a common front to defend this property by combatting the OOT's abuses. To do this, we need to organize and stand united to do battle. It would

be tragic if the greatest political force of the nation were to appear incapable of facing those who are draining the nation of capital, who are corrupting society, and turning our country over to foreign dominion.

The late Willy Brandt said: "It will not be our problems but our resignation that will defeat us; and as we are not prepared to resign ourselves, we shall overcome our problems." We need to remember that, and not forget that unity brings strength.

* Poor Economy Based on Waste, Corruption

93CA0024B Managua BARRICADA in Spanish 29 Oct 92 p 7

[Commentary by Mario Quintana Flores]

[Text] Several days ago an article by a member of the national leadership of the Sandinist National Liberation Front [FSLN], Victor Tirado Lopez, was published in BARRICADA under the title of "Economic Reflections." I agree with some of his views in that article, especially about the need for economic democratization and a true redistribution of income.

Nonetheless, as a member of the Sandinist Front, because of my responsibility in National Association of Nicaraguan Teachers [ANDEN], and as a member of the National Workers Front [FNT], I want to express my total disagreement with Comandante Tirado's following views. He said, and I quote:

"In a country like Nicaragua, which has not overcome the economic ills of past years, nobody, no sector can make socioeconomic or monetary demands. We have subjected the nation to the harshest political test, without obtaining material, economic, and social benefits."

It is clear that "today Nicaragua is suffering the worst economic crisis of the past decades of the nation's history." Moreover, I fully agree "that the task we face is not easy" and that "only with everyone's efforts can we move forward and implement a program to move our economy out of stagnation."

An Unacceptable Statement

There is no doubt that we are an underdeveloped country, many years behind technologically, and we have a deteriorated production infrastructure caused by years of profiteering by capitalists who grew wealthy but who did not reinvest here.

Still, even in these circumstances, we cannot agree that "nobody, no sector can make socioeconomic demands," especially when that statement is made by a national FSLN leader. In its National Congress, in various assemblies, and in the Sandinist Assembly, this party has stated that in the extremely difficult circumstances facing the majority of the Nicaraguan people, who are struggling for their economic survival every day, the party must help to focus and channel their efforts.

We cannot deny those struggles, and we certainly cannot advocate demobilization. While the resources available may not be enough to cover 100 percent of the needs, what we have is not being managed in the best way; even worse, the government's economic policy is designed to restore the bourgeoisie's domination in all areas.

The primary result of the monetary stabilization and structural adjustment policies has been the social exclusion of the masses.

Otherwise, we say: Who are the new illiterates, and the people dying in hospitals or at home for lack of medical care and medicines? Who have been affected by the increase in the latest taxes? Who are the new sellers at traffic lights, the street people, and the prostitutes who are now proliferating in our streets?

Maybe the struggles of the Nicaraguan Telecommunications and Postal Services [TELCOR] workers who conducted a 45-day hunger strike and won a major victory for the union movement were not just? And perhaps the demands for more funding for education and health and for better salaries for workers in those sectors are not just?

Leading the People's Struggles

If only this government—as Comandante Tirado says—among other things, "was capable of organizing the production system, which does not require massive inputs of cash." If only there were a true political determination to construct a social economy by first democratizing state property (and further democratizing the Agrarian Reform); and if, in addition, this type of system were supported with economic policies that would strengthen and make the economy grow.

If taxes and the tax policy were intended to support education, health, and the poorest people, and if higher taxes were placed on luxury goods; if for each five cordobas in circulation there was not one dollar kept in the bank, instead of being using to reactivate the economy and generate more jobs.

If there were less corruption and special allowances given to the ministers, and officials were not so far removed from the workers at the bottom. If our government would appeal to the U.S. Government, saying that just as it supported the war and the nation's destruction, now it should support the economic recovery and peace.

And if, in addition, the government would ensure labor stability and have each minister and institutional delegate promote dialogue, reconciliation, and an end to revanchism, and would halt political persecution, repression, favoritism, and politicking, that would greatly contribute to the social stability the country needs.

We the Nicaraguan people, as teachers, parents, and students, must organize better to continue an active struggle to bring about an improved distribution of wealth, and most of all, to ensure the economic democratization process.

And we Sandinists must be at the forefront of these struggles, we must lead these struggles. There is no alternative.

Panama

Endara Denies Preparing New Reforms

PA0412211692 Panama City LA PRENSA in Spanish 4 Dec 92 p 3a

[Report by Hermes Sucre Serrano]

[Text] President Guillermo Endara denied on 3 December that he is preparing new reforms to the Constitution as a result of the victory of the 'No' vote in the 15 November referendum. However, he did not reject the possibility of reaching a consensus on the issue in the future.

During his scheduled weekly news conference the president said: "I would like to hear more opinions on the viability of the new reforms, but I am not promoting the initiative." During the past referendum, which cost $5.6 million, the votes rejecting the package of reforms modifying 58 articles of the 1972 national Constitution prevailed overwhelmingly amid significant abstention. On the other hand, Endara said that despite all the work stoppages and protests that have been taking place during the past weeks, he does not plan to change his cabinet, nor does he intend to change official economic policies. He acknowledged public workers have the right to stage peaceful protests. But he reiterated that currently there are insufficient funds to provide solutions to all their claims.

Regarding recent statements by Vice President Guillermo Ford that the government has enough funds in reserve, Endara clarified that all funds deposited in the National Bank are already allocated for 1993. Endara claimed that in view of the fact that the government does not have enough funds to cover the workers demands, the only remaining option would be to cancel the debt with bearer bonds, documents that carry the same value as government bonds.

Regarding the recent protests in Colon over a lack of employment, Endara said a meeting was held last week to handle the issue. He said in light of his numerous international commitments, such as the presidential summit, he will continue the meetings after 11 December when he plans to meet the commission that is analyzing Colon's problems.

As for the recent deportation of Movement of the Colon Province Unemployed activist Luis Laduett, the president said on several occasions he had provided lawyers for Mr. Laudett to settle his status in Panama. Unfortunately, Laudett never cared to legalize his situation and that is why the Immigration Department was forced to enforce the law.

Asked about the possibility of more protests breaking out during the presidential summit, Endara admitted that it is the right of all citizens. He warned that there will be thousands of men who will be in charge of ensuring the president's safety and controlling the streets.

The president reiterated that there are Latin American initiatives, mainly the one by this Colombian colleague Cesar Gaviria, aimed at including Panama in the Rio Group. Panama was at one time a member of the group but was expelled during the political crisis sparked by the Noriega regime (1987-1989).

'Anonymous' Official on Phone Tapping Centers

PA0512220892 Panama City LA ESTRELLA DE PANAMA in Spanish 4 Dec p 1

[By James Aparicio and Euclides Corro]

[Text] An investigation conducted by LA ESTRELLA DE PANAMA has revealed that one of the main centers using telephone espionage against opposition leaders, foreign secret service agents, suspected money launderers, military members, active policemen, and government officials is located in Building 9 in Ft. Amador.

A ranking government official, who asked to remain anonymous, said on 3 December that espionage activities are carried out by former agents of the defunct Panama Defense Forces [FDP], Intelligence Service [G2], and ranking members of the Council for Public Security and National Defense, headed by former Finance Minister Menalco Solis. Government and Justice Minister Juan Chevalier has denied the existence of these espionage activities.

LA ESTRELLA DE PANAMA reported in November the existence of a secret espionage group called Counterterrorism Special Forces [FCT] similar to Noriega's G2. This newspaper also reported that the Judicial Technical Police [PTJ] participates in this sort of activity. Authorities have acknowledged the existence of the FCT while Attorney General Rogelio Cruz confirmed the PTJ's espionage activities, which he said he will denounce before the Supreme Court. Operations are directed by Carlos San Filipo, assistant to former Minister Solis, the Council's executive secretary, according to information gathered by LA ESTRELLA DE PANAMA.

Telephone tapping is carried out with the use of British and Israeli manufactured equipment which permits the monitoring of 200 telephone lines simultaneously. These operations are assisted by workers of the government-owned National Telecommunications Institute [INTEL], who work for the Council, as they did with the G2 before 1989, an official source said.

Documents reviewed during the investigation have revealed that the Central Intelligence Agency has top priority access to the information.

The CIA investigates embassies and alleged secret agents from Cuba, China, Nicaragua, Libya and some Arab countries. The U.S. DEA has second priority in access to telephone information from banks that are allegedly linked with money laundering or drug traffickers.

The Council has third priority in access to information dealing with "national security" matters.

Politicians, opposition activists, officials, military members and policemen of the present Public Forces make up the long list of suspects. LA ESTRELLA DE PANAMA learned that a "suspect's" telephone is tapped after his number is found in the telephone book, or through his driver's license, or any other official document.

U.S. 'Indifferent' to Invasion Damage Claims

PA0712161292 Panama City LA ESTRELLA DE PANAMA in Spanish 7 Dec 92 p A1

[Article by Euclides Corro R.]

[Text] The Panamanian Foreign Ministry has remained completely indifferent to the plight of all of the citizens affected by the destruction of their properties by the U.S. Army invasion on 20 December 1989.

So far, and despite the reports made and suits filed, the U.S. Southern Command's Claims Office, headed by Captain James McConnon, has remained totally detached.

The most recent incident occurred last week. Dr. Lyonel Carrillo, a well-known Panamanian dermatologist, went to Fort Clayton. Not only did he not get an answer to his demands, but he was abused by U.S. soldiers. The U.S. Air Force destroyed a building, worth nearly half a million dollars, that Carrillo had rented on Via Ricardo J. Alfaro. The building was leveled by Southern Command helicopters early in the morning of 21 December 1989 in an action against civilians who posed no threat to the military operation.

The Panamanian Foreign Ministry on this and other instances has failed to take up the defense of these Panamanians' interests in a sovereign action of respect for the country's interests.

LA ESTRELLA DE PANAMA has learned this situation was formally presented to Foreign Minister Julio Linares three years ago. Linares just sent a copy of the note to the U.S. Embassy and accepted as sufficient a noncommittal reply from the Embassy. There are instances in which the U.S. Army has paid reparations for damage caused during the invasion. However, none of these reparations covered the damage to the building where Almacen Lurias operated.

It has been reported that Southern Command Chief General George Joulwan received a copy of each of the documents dealing with this claim, but that no reply has yet been received.

Security Increased for Summit, Holidays

PA0812161492 Panama City LA PRENSA in Spanish 8 Dec 92 p 1

[Report by Irene Hernandez G.]

[Text] The state security bodies (National Police, National Air Service, and National Maritime Service) will deploy 95 percent of their forces to guarantee security during the Central American presidential summit and the Christmas season.

The announcement was made at a news conference by Government and Justice Minister Juan Chevalier, National Police Director Oswaldo Fernandez, National Air Service Director Cristobal Santiago Fundora, and National Maritime Service Director Jose Rosas Rosas.

Chevalier announced that in view of the constant commercial activity that takes place at this time of year the National Police will deploy a sizable force to the most heavily transited areas such as Calidonia, Central Avenue, and Via Espana, among other sectors. The measure, according to the police, is due to the city's increased crime rate; statistics show that over 1,130 robberies have taken place in Panama City.

Chevalier underlined that the police bodies have held several meetings to prepare a plan to help prevent and combat crime. According to the authorities, these meetings were also used to coordinate plans to be implemented during the month, not only in the country's leading cities but throughout the country.

The police operation, which will last until 10 January, includes police protection in the vicinity of the Atlapa Convention Center, where the 20-30 telethon will be held.

The authorities have suggested that the best way to avoid being a crime victim is to take preventive measures such as avoiding crowds, not counting money in dangerous areas, and not venturing into unknown areas or the so-called "red zones."

Post Office Employees End Strike 7 Dec

PA0812042992 Panama City Circuito RPC Television in Spanish 2300 GMT 7 Dec 92

[Report by Alvaro Alvarado]

[Text] The suspension of the strike called by Post Office employees throughout the country was announced on the afternoon of 7 December after an agreement was reached between government officials and employees.

[Begin recording, Government and Justice Minister Juan Chevalier] The only ones who will be dismissed are those with legal problems or with cases pending before the courts over which we no longer have any control. The rest of the employees may return to their jobs because there is no revenge here and there should be no winners

or losers. This agreement is among Panamanians. As for the two week period not worked, we have agreed the employees will work the extra hours and sort the 15 tons of mail lying there. When they accomplish this, which I know they will because of their efficiency, we will pay them for the two weeks. [end recording]

The 13-month bonus, however, will be paid to the Post Office employees on 9 December, Chevalier said.

[Begin recording, Post Office employees leader Ricardo Gonzalez] We have decided to suspend the strike, but we demand the immediate return of those fellow employees who were dismissed and who have no legal cases pending, which means no employee should have been dismissed just for participating in the strike. In addition, we, the Post Office employees agree to work the necessary extra hours to return the situation to normal. [end recording]

The $2.8 million pay raise requested by the Post Office employees will be part of a special package that could be included in the 1993 budget.

Argentina

Support Noted for Military Intervention in Somalia

PY0812010892 Buenos Aires TELAM in Spanish 2305 GMT 7 Dec 92

[Excerpt] Buenos Aires, 7 Dec (TELAM)—The Argentine Foreign Ministry today released a communique stating that the Argentine Government "regrets to see the continuing general disrespect for human rights in Somalia" and that Argentina "firmly" supports the UN resolution authorizing foreign intervention in that African country.

The Foreign Ministry points out that the situation in Somalia "has frustrated the attempts of the international community to help the Somali people." Therefore, it adds, "it is the international community's duty to act decisively and effectively to establish in Somalia a climate of peace and security."

Argentina "firmly" supports UN Security Council Resolution No. 794 "and is willing to actively cooperate with the United Nations," the Foreign Ministry communique emphasized.

The UN resolution authorized the deployment of multinational forces to Somalia to ensure the equitable distribution of food and humanitarian help to the Somali people, whose lives are endangered. [passage omitted]

Brady Plan Debt Reduction Figures Remain Unclear

PY0712152492 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1217 GMT 7 Dec 92

[Text] Buenos Aires, 7 Dec (NA)—The explanation of the percentage reduction on the overall foreign debt with the Brady Plan has caused officials to have a sleepless night. Nothing is very clear: The government is saying the reduction is 35 percent of the total debt—almost $8 billion—while other figures show that it is only $2.5 billion.

While President Carlos Menem announced the official version that the current debt was reduced by 35 percent, William Rhodes, the head of the Committee of Banks, admitted the reduction depends on interest rates.

Both Rhodes and Central Bank Director Iniesta said, however, that the Par Bond agreement contains "an insurance against a crisis as in the 1980's" because although there is no reduction in the capital, the fixed interest rate is below the market rate.

Some 65 percent of the debt capital was refinanced through Par Bonds without any capital reduction while the remaining 35 percent was refinanced with a 35 percent discount.

According to the explanation given by President Carlos Menem and repeated by Economy Minister Domingo Cavallo yesterday, the fixed rate of the Par Bonds represents a cut in interest rates similar to the reduction in the capital made by the Discount Bond.

Rhodes admitted the cut will depend on interest rates because the Discount Bond has a floating rate.

If the market rates are high, capital repayments through the Discount Bond will be less but the interest will be higher. Therefore, the best deal for Argentina will be the Par Bond which allows much lower payments.

If the rate is low, which banks and officials rule out, the best deal will be the Discount Bond because the Par Bond would be less profitable for Argentina.

Those who prefer to calculate that the reduction of the debt is only 35 percent of 35 percent of the refinanced capital conclude that the reduction was only 12.5 percent.

Further more, if overdue interests are added to the capital—on which there is no reduction—the conclusion is that the reduction in only 4 percent.

The government is using Menem and Cavallo's figures to say that the reduction is almost $8 billion.

Rhodes is right in the middle, saying the reduction all depends on interest rates.

Economy Secretary Meets With Bankers in New York

PY0712171192 Buenos Aires TELAM in Spanish 1733 GMT 3 Dec 92

[By unidentified TELAM correspondent in New York]

[Text] New York, 3 Dec (TELAM)—Economy Secretary Carlos Sanchez told TELAM today that the U.S. Treasury "Zero-Coupon" bonds that Argentina will use to refinance its foreign debt will be purchased directly from the U.S. Government and not on the market.

The bonds will back up Argentine foreign debt obligations contracted within the framework of the Brady Plan that will be signed in Buenos Aires this month.

While in New York, Sanchez met with a group of bankers whom he briefed on "the prospects of Argentine economy for next year and on growing interest by investors in Argentina."

He also reaffirmed that there will be no devaluation and emphasized that "inflation is under control and going down."

Sanchez met with a group of bankers and businessmen at the Americas Society where he explained the guidelines of the economic policy and provided further details on the administration's recent monetary and foreign trade measures.

He said that this year's trade deficit "does not worry the Argentine Government because it is prompted by growing trust in the country and the resulting inflow of capital."

He added that the administration continues to issue measures aimed at creating conditions "favorable to the production of exportable goods."

Sanchez reasserted that "there are no plans to change the rate of exchange," adding: "On the contrary, the measures being implemented have led to a decline of production costs, which implies an improvement of the true rate of exchange."

He forecast that the economy will expand in the coming years and estimated that the Gross Domestic Product will grow by 6 percent per annum.

Asked by TELAM about the emphasis that some investors place in inflation control, Sanchez stated that the inflation rate measured by wholesale prices stands at 4 percent per year. "This prevents consumer prices from rising and leads to a sustained decline in inflation," he said.

Following his meeting with the bankers, Sanchez traveled to La Joya, California where he will attend a seminar on capital markets sponsored by the Americas Institute and presided over by Paul Volcker, the former U.S. Federal Reserve Board chairman.

Navy Chief Views Agreement With NATO

PY0712140092 Buenos Aires TELAM in Spanish 1951 GMT 6 Dec 92

[Text] Buenos Aires, 6 Dec (TELAM)— Admiral Jorge Ferrer, the Argentine Navy chief, said today that Argentina is seeking "to implement an interoperability system with the navies of NATO as soon as possible." He announced that two ships will be bought from the United States and commissioned next year.

Ferrer gave TELAM details of his recent visit to Italy where he met with naval officials and visited arms factories. He said his trip was "quite positive" because progress was made over the exchange of personnel now that relations between the navies of the two countries have been strengthened "through the support received on the ground and the provisions supplied to the Argentine destroyer Almirante Brown and the corvette Spiro during the Persian Gulf War."

Ferrer said that during his visit to Italy "agreement was reached on the interoperability (of the systems) in accordance with the Argentine strategy to implement an interoperability system with the navies of NATO as soon as possible."

He said that during the Persian Gulf War, Argentine ships were not fully interoperable with the rest of the multinational fleet of 188 ships that fought against Iraq in January 1991.

He said that to reach that objective "it is only necessary to make the systems compatible before entering the zone of operations, otherwise the task force would be somewhat vulnerable."

Asked whether the British Government would oppose Argentina using the NATO secret codes for a naval war Ferrer said: "So far no British objection has been detected." He added: "The idea is to form a multinational force to act in a crisis."

Regarding his meeting with Italian officials Ferrer said: "We studied the new NATO fleet in the Mediterranean" following the creation of a rapid naval deployment force for that region similar to the force NATO has in the Atlantic. He said that this NATO reinforcement force can be used immediately in an international emergency.

Ferrer also disclosed that the Argentine Navy will buy two U.S. ships at a price that "is still being negotiated."

He said that one is a 30,000 tonne logistical ship that can transport food, fuel, and ammunition to supply other ships at sea. It can also operate as a repair shop.

He added that there also plans to purchase a smaller ship similar to the Argentine Navy patrol ship Gurruchaga.

Regarding the possible sale of some ships of the Argentine Navy to finance the construction of two corvettes and two submarines being built by the State Shipyards and Naval Factories (AFNE) and the Domecq Garcia Shipyard, respectively, Ferrer said: "No serious bids were made. The Navy prefers the sale to be made between governments."

Regarding Naval personnel, Ferrer said that for the first time, promotions were made "based on merit and not seniority," and that also for the first time "noncommissioned officers are serving on the promotion board" for the appropriate rank.

Ferrer also disclosed that a future Naval officer must have a university degree "or they will not be able to continue their careers" and that it will be necessary "to know at least one foreign language such as English, French, or German."

Ferrer said that 2,000 conscripts will be incorporated next year, 1,000 less than this year, and that "from 1983 to date, the number of officers and noncommissioned officers were reduced by half," which is "the minimum required to run the institution."

Gorbachev Supports Cuba, Criticizes Yeltsin

PY0712212092 Buenos Aires CLARIN in Spanish 6 Dec 92 p 12

[Report by unidentified "CLARIN special correspondent" from Santiago, Chile]

[Text] Mikhail Gorbachev has stated here that Cuba must join the process of Latin American integration and

of globalization of the world "Cuban style, rather than following the Argentine, U.S., or any other country's style."

This was Gorbachev's response to a CLARIN question about his opinion on the Argentine abstention at the United Nations last week when the U.S. embargo against Cuba was rejected.

Commenting on the future of the island ruled by Fidel Castro, Gorbachev said: "I am not in favor of any sanction against Cuba. I am in favor of Cuba's integration into Latin America and the rest of the world."

Gorbachev added: "One could only help Cuba by bringing it into these processes of integration and by respecting its peoples' right to free determination."

When the conversation moved on to the Russian situation, Gorbachev said that if Boris Yeltsin continues to apply a monetarist economic policy, without following a gradual process, Russia "will fall into chaos."

Gorbachev said: "There is still time to draft a new policy before chaos erupts." He noted, however, that "we are running out of time to do this."

Without sparing criticism of Yeltsin, with whom he is engaged in violent confrontation, Gorbachev charged that under Yeltsin's government "Russia has stepped backward economically to the 1950's and his economic plan has an extremely high social cost."

Justicialist Elected National Senator

PY0612222892 Buenos Aires BUENOS AIRES HERALD in English 3 Dec 92 p 11

[From the "Argentina in Brief" column]

[Text] (DYN-NA)—The Entre Rios Legislature yesterday elected Justicialist Augusto Alasino as national senator for the 1992-2001 period during a special session with all 44 legislators present in the assembly. Alasino was voted for by 24 Justicialist legislators, while defeated Radical candidate Jose Luis Rodriguez Artussi was backed by 19 congressmen from his party and the lone Democratic Centre Union representative voted for Carlos Medina. Alasino's candidacy was backed by Governor Mario Moine.

Presidential Residence Guard Shot Dead

PY0712131292 Buenos Aires NOTICIAS ARGENTINAS in Spanish 1114 GMT 7 Dec 92

[Text] Buenos Aires, 7 Dec (NA)—Buenos Aires Province Police sources have reported that a guard at the Olivos residence died last night from a shot in the chest that was fired from a privately owned vehicle occupied by unidentified persons.

The victim was Armando Silva, a non-commissioned officer of the Security Brigade of the Buenos Aires Province Police, who was urgently taken to the Vicente Lopez Municipal Hospital where he died after doctors spent 30 minutes trying to save his life.

Silva, 47, was on guard at the Villate Street gate of the residence when several shots, one of which hit the non-commissioned officer in the chest, were fired from a Renault 18 car that was travelling at a high speed.

The attack occurred at 1930 [2130 GMT]. The other guards on duty at that gate immediately took to the street but were unable to do anything.

Although no details have been released about the incident, police have encircled the residence, some 15 km from downtown Buenos Aires.

The investigators have several ideas about the death of the policeman, including revenge or that the victim discovered the attackers acting suspiciously.

Bolivia

Paz Justifies Government Position on Torricelli Law

PY0712202292 Santa Cruz EL MUNDO in Spanish 26 Nov 92 p 4

[Excerpt] La Paz, 25 Nov (ANF)—President Jaime Paz Zamora has said: "Bearing in mind national interests abroad, Bolivia abstained from voting on the Torricelli Law against Cuba."

Paz added that the country in its every international decision protects its overall interests and every step in this regard should be carefully analyzed.

Paz added: "We currently have very important programs in the international field which represent many resources for Bolivia, and in this regard, Bolivia did not vote for or against the Torricelli Law. Bolivia did the same as the majority of countries in the Americas, and in Europe: They abstained." [passage omitted]

President Discusses Rio Group Summit Upon Return

PY0312022592 La Paz Television Nacional Network in Spanish 0000 GMT 3 Dec 92

[Text] A few moments ago our correspondent in Tarija was able to obtain these pictures of the arrival of President Jaime Paz Zamora in the Tarija airport upon returning from the Rio Group summit in Buenos Aires.

[Begin Paz recording] The meeting has been very successful. The first thing I want to tell you, almost in private, is that I felt very proud when all the Rio Group presidents, that is, nearly all the presidents of the continent, analyzed and verified how much our country has made progress and how we are one of the countries with the most economic growth and stability, with one of the

lowest inflation rates this year, and with greatest calmness and future. I felt it as a very personal experience, traveling abroad as president of a country that is behaving in this manner.

The meeting itself met all its objectives. You know that the Rio Group meeting, which is called like this to differentiate it from other meetings, is held every six months among the presidents of 12 countries. In order to join this group, all the countries must agree to receive the new member. It is also a privilege to belong to this group, which is an elite group within the continent's countries. The group gathers every six months to, in a friendly atmosphere, carry out a fruitful dialogue among all the presidents in order to reach a common point of view about the region's common problems. This is the group's objective. [end recording]

Executive Branch Pleased

PY0412195192 La Paz Radio Fides Network in Spanish 1100 GMT 4 Dec 92

[Text] The executive branch has expressed its deep satisfaction with the positive outcome of the meeting between Bolivian President Jaime Paz Zamora and Brazilian President Itamar Franco. In the course of the meeting, preliminary agreements on the sale of Bolivian natural gas to Brazil were amply ratified. Minister of the Presidency Gustavo Fernandez, who made this announcement, said:

[Begin recording] [Fernandez] The meeting the president held with President Itamar Franco has a momentous significance. President Paz Zamora stated yesterday in Tarija that President Itamar Franco ratified, in every detail, the terms of the agreement signed by Presidents Jaime Paz Zamora and Fernando Collor de Mello on the preliminary contract between Bolivia and Brazil for the supply of Bolivian natural gas to Sao Paulo.

According to Fernandez, the Rio Group summit, which ended on 2 December, was most positive and enabled participants to gain some insight into the social problems of Latin American countries.

[Unidentified reporter] By the way, Dr. Gustavo Fernandez, have you any comments to make on the fact that President Jaime Paz Zamora might be interested in buying a presidential plane from Argentina?

[Fernandez] President Paz Zamora's term in office is drawing to a close, and that makes us view in all seriousness the possibility that the next administration should have a plan that would indeed meet an objective need inherent in the office of president. For the time being, even though we are interested in solving a problem that is there, there are no official negotiations to purchase the plane you mentioned. What I said was only a comment on a problem that the president was interested in solving, and that concerns both the comfort and the speed of travels the president of the Republic may make within the country and abroad, which is inherent in the office of president, whether this one or others. [end recording]

Commander in Chief on Alleged Military Discontent

PY0312130292 La Paz Radio Fides Network in Spanish 1100 GMT 2 Dec 92

[Excerpt] General Oscar Vargas Lorenzetti, the Armed Forces commander in chief, is concerned about problems with some Armed Forces divisions. These problems include accusations of irregularities against the Bolivian Air Transport, TAB.

Vargas Lorenzetti, who is well aware of all these problems, tried to play down the issue by saying there is no restlessness within the Armed Forces. He said all this fuss is part of a campaign by low-ranking officers to discredit the Armed Forces.

[Begin recording] [Vargas Lorenzetti] There is absolutely no restlessness within the Armed Forces. Internal problems are being handled. The conclusions of the administrative inquest are in the hands of the Defense Ministry. We are awaiting a decision by the defense minister so we can proceed within a state of law.

[Unidentified reporter] Rumor has it that [words indistinct] the removal of the commanders of the Bolivian Air Force?

[Vargas Lorenzetti] Within the Armed Forces, nobody is demanding anything. Everything is regulated by law and by the Armed Forces statutes. [end recording]

Colonel Liborio Fernandez, commander of the Air Force 91 Fighter Group based in El Alto, has ruled out the existence of alleged discontent in the Air Force and underlined the fact that they stand by Commander in Chief General Dardo Gomez.

[Begin Fernandez recording] Everything is calm, at least as far as all El Alto divisions are concerned, which are under my command. The members of the 91 Fighter Group are currently organizing the first agricultural fair of the Armed Forces which will open on 4 December. Total calm reigns; there is absolutely nothing going on. I believe the information was purely out of self-interest. With regards to the changes, everyone knows that the president is the only one who can make changes. [end recording]

Deputies have asked the defense minister to report on the balance sheet of the TAB, which was audited by the Office of the National Comptroller General on 30 October 1992. The audit revealed that there were serious irregularities in the economic and financial management of TAB. [passage omitted]

General Elections Set for 6 Jul 1993

PY0512015192 La Paz Television Nacional Network in Spanish 0000 GMT 5 Dec 92

[Text] The government has officially called general elections for 6 July 1993. The decree was signed by President Jaime Paz Zamora and released to the media today.

Through Decree No. 23348, the government is calling general elections in the whole national territory on 6 July 1993 to elect a president, vice president, senators and deputies.

The decree's second article states that the executive branch will allot the necessary funds through the national Treasury for the aforementioned general elections.

President Paz said the 1993 general elections will be the cleanest in Bolivian democratic history given that the country has an impartial electoral court provided with computer equipment that will prevent any fraud attempt.

In the time remaining until the elections, cabinet members will be fully dedicated to state affairs without any participation in the Patriotic Agreement's election campaign.

The whereas of the decree states that the current constitutional government will conclude its mandate on 6 August 1993, according to what is established by Law 1099 of 5 August 1989, in keeping with Articles 60, 65, and 87 of the national Constitution.

New Comptroller General Appointed

PY0512223892 La Paz PRESENCIA in Spanish 18 Nov 92 p 1

[Summary] President Jaime Paz Zamora yesterday appointed Marcelo Zalles to the position of comptroller general of the Republic with the approval of the Senate. Zalles, who will be installed on 19 November, will hold this position for 10 years.

Brazil

Foreign Ministry on UN Cuba Resolution Abstention

PY0812125592 Brasilia Radio Nacional da Amazonia Network in Portuguese 0900 GMT 8 Dec 92

[Text] The Brazilian Foreign Ministry has reported that the UN General Assembly approved the draft resolution presented by the United States about human rights in Cuba. The resolution was approved by 64 votes in favor, 17 votes against, and 59 abstentions, including that of Brazil, which considered the projects of both the United States and Cuba as incomplete.

According to a communique released by Itamaraty, the Brazilian abstention reflects the Brazilian Government's desire to work in a equilibrated and constructive manner at an international level in favor of the protection of human rights in Cuba.

Mikhail Gorbachev Arrives in Rio de Janeiro

Agenda Noted

PY0612030292 Buenos Aires NOTICIAS ARGENTINAS in Spanish 0245 GMT 5 Dec 92

[Text] Brasilia, 5 Dec (AFP-NA)—Former USSR President Mikhail Gorbachev arrived in Brazil, the third and penultimate stop of his Latin American tour, on 5 December. Gorbachev's Latin American tour will end in Mexico; he already has visited Argentina and Chile.

Gorbachev will stay in Brazil for four days, during which he will meet interim President Itamar Franco and the governors of Rio de Janeiro and Sao Paulo states. He also will meet businessmen and politicians and will deliver two lectures.

Gorbachev arrived at the Rio de Janeiro airport shortly after 2300 local time (0100 GMT).

Before leaving for Mexico on 9 December, the last president of the now defunct USSR will visit Sao Paulo and Brasilia, where he will have a busy agenda.

Visits Rio, Addresses Students

PY0812023692 Rio de Janeiro Rede Globo Television in Portuguese 2200 GMT 7 Dec 92

[Text] Former Soviet President Mikhail Gorbachev was accorded honors and heard protests on the last day of his visit to the city of Rio de Janeiro.

Today at 1000, Gorbachev and Raisa arrived in the Candido Mendes Faculty, which is located in downtown Rio de Janeiro. The man who changed the world made some changes in his schedule today. Despite being tired, he was willing to participate in a discussion.

The Gorbachevs were surrounded by a crowd in the faculty. On the faculty's yard, with old and new buildings as a backdrop, Gorbachev spoke about the past and the future. A band played the Russian anthem as Gorbachev raised the Brazilian flag.

Historian Candido Mendes opened the ceremony by describing Gorbachev as the hero of the century. Gorbachev gave the following advice to the students: Fly high, but without removing your feet from the ground.

Riding escalators and elevators, Gorbachev climbed to the 44th floor of the building, from where he had a view of the city and launched a foundation bearing his name.

In a packed auditorium, Gorbachev received presents and was called a prophet. Gorbachev once again uttered the word he considered to be crucial for the reorganization of the defunct Soviet Union: unity. Speaking in a

prophetic tone, Gorbachev said: If the republics do not unite, there will be a civil war; we will fall into an abyss, and chaos will ensue.

Two placards written in Russian appeared among the audience to protest the end of communism and the reforms promoted by Gorbachev, who reacted with good humor, and praised democracy. During his hectic departure, Gorbachev even talked to the demonstrators.

Later, in a news conference, the former Russian leader said that no insult or protest will discourage him. He said: I remain a socialist and, consequently, a democratic man. He said he does not intend to seize power again, but he wants to continue to give his opinions. He added: I cannot hide in the Amazon region.

There was a breach of security during Gorbachev's visit to Rio. At the entrance of his hotel, Jose Alves de Moura—aka The Kisser, was expecting Gorbachev to leave the hotel. Alves de Moura was then surrounded by military police personnel, but was released later. He then managed to open the door of Gorbachev's car. Only then was Alves de Moura overpowered by Federal Police agents.

Gorbachev will leave for Sao Paulo tomorrow morning.

Denies Reports of Criticizing Castro

PY0812161592 Rio de Janeiro Rede Globo Television in Portuguese 1500 GMT 8 Dec 92

[Text] Former USSR President Mikhail Gorbachev left Rio de Janeiro for Sao Paulo at 1100 [1300 GMT]. Gorbachev will return to Rio de Janeiro again today on a special FAB [Brazilian Air Force] flight. He will leave for Brasilia early tomorrow.

Gorbachev gave his first news conference in Sao Paulo only a short time ago. Gorbachev was in good humor despite being closely surrounded by microphones. Gorbachev made the point of denying he criticized Cuban President Fidel Castro, as reported by some dailies today. Gorbachev said that Fidel Castro is his personal friend and made the point of denying any criticism of the Cuban leader.

Minister on Provisional Nature of Government

PY0412224992 Sao Paulo O ESTADO DE SAO PAULO in Portuguese 1 Dec 92 p 6

[Interview with Civilian Household Chief Minister Henrique Hargreaves by Marta Salomon in Brasilia—date not given]

[Text] [Salomon] Is the president thinking of maintaining his heterogeneous cabinet until January 1995?

[Hargreaves] Perhaps he is, but in order to have the support of a majority of congressmen we need to make additional definitions. There is no unanimous consensus on issues. The government will have its opposition. I have been repeating: Whoever has 450 allies does not have anything. The president today has the support of everyone and no one at the same time. Congressmen will have to define their positions. This definition, however, will not come through decrees or pressure. It will be the consequence of government acts.

[Salomon] What acts? Won't that occur after the impeachment vote?

[Hargreaves] It will take a little longer. We still have to figure out who is and who is not a friend. I do not think there is enough time for a definition before March or April. We are still going through a transition-like period where all groups are interested in making the country governable. It is not a formal pact written on paper, but Congress is willing to guarantee that the government will be able to govern. That is all we have so far. We are still going through a traumatic period.

[Salomon] Ministers and legislators who support the government are forecasting a cabinet reshuffle after the vote on suspended President Collor's impeachment. Has the president made a decision on this point?

[Hargreaves] It is something different to say that the president wants to make changes than to say that he has people who want to become ministers. He did not say a word in this sense.

[Salomon] Did he think about it?

[Hargreaves] I do not know whether he thought about it or not. The only comment he made was to warn ministers who are not working on the same tune that they might have to leave.

[Salomon] Is there anyone noticeably out of tune?

[Hargreaves] He did not mention any name so far.

[Salomon] Will the nominations for second-level government officials have to wait as well?

[Hargreaves] He had to make decisions concerning first-level officials. The second level includes too many people to begin doing anything during an interim government. Even though suspended he (Hargreaves points to a Collor picture on the wall) is still the president.

[Salomon] Does this provisional status create pockets of resistance to the president in Congress? For instance, the nomination of former Governor Jose Aparecido de Oliveira as Brazilian ambassador to Portugal had a hard time in the Senate.

[Hargreaves] That has nothing to do with us.

[Salomon] Who is to blame then?

[Hargreaves] The case was linked to a series of circumstances. People already have said it was my fault, but I never meddled in Senate business. I heard that the bloc

of Brasilia senators was against the bloc of Minas Gerais senators, but it was not Franco's or my fault. We are not involved in that problem.

[Salomon] Is there any risk of the Senate not approving the impeachment?

[Hargreaves] It seems that there are no risks. We are following the process. The president did not participate in the impeachment process in the Chamber of Deputies and he is not participating in the process in the Senate now.

[Salomon] Is he working with the possibility of Collor's return?

[Hargreaves] He had mentioned this from the very beginning: We have to work knowing that we are members of an interim government. If President Collor returns, he will find the house open and clean, without problems.

[Salomon] What if he does not return? Do you consider a resignation a less traumatic possibility.

[Hargreaves] Of course it will be less traumatic. For him too.

[Salomon] Does President Franco think as you do?

[Hargreaves] President Franco refuses to talk about the matter. He does not like to talk about it.

[Salomon] Why is everything, including the definition of a government program, being postponed until after the impeachment vote?

[Hargreaves] Franco is talking now as an interim president. After 18 December, he will be talking as the president. Whatever he says now will have to be confirmed later. We are waiting to speak only once.

[Salomon] Is the inner government circle united behind the short-term draft government program?

[Hargreaves] It is united, yes. We will try to adjust a few things, improve on it a little, since we have until the 18th to make a decision, but everyone is conscious of what the president wants and everyone supports him in those matters.

[Salomon] Won't that program endanger some alliances?

[Hargreaves] I do not think so. It is my partial evaluation. I do not think anyone will be against it. I think it is good enough to unite the PDS [Socialist Democratic Party] and the PDT [Democratic Workers Party] behind it.

Chile

Argentina Asked for Terrorist Group Information

PY0712211392 Santiago LA TERCERA DE LA HORA in Spanish 24 Nov 92 p 18

[Text] The Chilean Interior Ministry has requested information from the Argentine Government to help it determine the connection of an Argentine terrorist organization to the Manuel Rodriguez Patriotic Front (FPMR) in Chile.

Argentine Interior Minister Jose Luis Manzano said on 20 November that six people had been arrested for participating in several bomb attacks in Buenos Aires.

The arrested suspects may be assocated with the People's Revolutionary Organization (ORP), which is defined as a violent organization with international connections. Manzano said there is evidence of contacts between ORP and FPMR.

The Chilean Interior Ministry is waiting for more precise information on the subject. The objective of this request is to learn whether the ORP is connected with several extremist groups and not only with the Chilean terrorist group.

The arrests in Buenos Aires took place on 21 and 22 November during an operation to uncover ORP hideouts.

The new group allegedly consists of members of the now dissolved movement "Everyone for the Fatherland" and the Che Guevara Brigade. According to a UPI news agency report, on 23 November the movement claimed responsibility for attacks against two bank branches in Buenos Aires on 19 November.

"So far no member of our organization has been arrested," the ORP stated on a communique broadcast by Radio America. The ORP is presumed to be leftist leaning.

"We have not carried out any action after those on 19 November," the ORP stated in reference to a bomb that exploded on 20 November in a garage in Buenos Aires, damaging three cars but causing no deaths. A bomb also exploded this past weekend in a Radio Splendid transmitting station in Buenos Aires.

Detainees in Pinochet Attack Sentenced to Life

PY0812113792

[Editorial Report] Santiago LA TERCERA DE LA HORA in Spanish on 25 November carries on page 9 a 400-word unattributed article reporting that "the Supreme Court unanimously confirmed the sentences that the San Miguel Appellate Court" issued against those responsible for the attack on 7 September 1986 against then-President General Augusto Pinochet. The report says: "Juan Ordenes Narvaez, Hector Maturana Urzua, and Hector Figueroa Gomez were sentenced to

life imprisonment." The report adds that the investigation of the attack was coupled with the "trials for attacks undertaken by the Manuel Rodriguez Patriotic Front," noting that Miguel Colina Valdivia also was sentenced to life imprisonment "for his involvement in a shootout with Carabineros in Talca and Itahue in 1989," when two Carabineros died.

Taiwanese Official Praises Trade Relations

PY0712222192 Santiago LA TERCERA DE LA HORA in Spanish 28 Nov 92 p 15

[Text] Chile is Taiwan's second most important trade partner in Latin America. Bilateral trade between the two countries amounted to $717 million in 1991 with a surplus of $300 million favorable to Chile. Mr. Albert Tien-hsing Yeh [name as published], deputy director of information of the Republic of China who is visiting Chile, emphasized that bilateral trade is advantageous for Chile.

According to the visiting dignitary, bilateral trade between the two countries is expected to grow further next year. He explained that his country has accumulated one of the world's largest foreign currency reserves: close to $90 billion. He also said that Taiwan's Gross Domestic Product in 1991 reached $180.3 billion, the world's 20th highest.

The Taiwanese offical discussed his country's ties with Chile, stating that "they have developed considerably, especially as far as trade is concerned, to the point that now Chile is our second most important trade partner in Latin America."

He made these remarks during a meeting at the Crown Plaza Hotel. This meeting was one of his initial activities in Chile where he will stay until 29 November.

Central Bank Reports on Foreign Debt Payments

PY0812020092 Santiago EL DIARIO in Spanish 18 Nov 92 p 19

[Text] Chile will disburse $2,401,400,000 this year in the servicing of its public and private foreign debt. Out of this total, $1,278,600,000 will be used to pay the debt principal and $1,122,800,000 to pay the interest.

This is stated in a report released by the Central Bank. The report, drafted by the International Division Management, estimates the payments to be made by Chile from 1992 to 2001.

In the projection about the interst payments on credit contracted at variable interest rates, the following variable annual averages have been estimated: in 1992, a London Interbank Offered Rate [Libor] tax (180 days) of 4.4 percent and a prime [preceding word in English] rate of 6.5 percent. From 1993 on, Libor would increase to 4.7 percent and the prime to 7 percent.

The Central Bank has pointed out that "these taxes do not include the spread [preceding word in English] on the interest rate bases, which naturally are considered in the final projection. This spread consists of an average 1 percent on the total of the medium-term and long-term debts with variable rates.

Of the total of the amount owed on 31 December 1991 ($16,416,000,000), 58.87 percent, i.e. $9,664,000,000 refers to credit contracted at variable interest rates, which means that as the international interest rates vary, the service of the debt will cost Chile $96,640,000 more or $96,640,000 less per year.

Free Trade Agreement Sought With Colombia

PY0712221492 Madrid EFE in Spanish 1916 GMT 5 Dec 92

[Text] Santiago, 5 Dec (EFE)—Marta Lucia Ramirez de Rincon, Colombian foreign trade deputy minister, today said in Santiago that the lack of substantial progress in eliminating trade tariffs is delaying the negotiation of a free trade agreement between Chile and Colombia.

Ramirez de Rincon is heading a delegation that over the past two days has been analyzing, along with its Chilean counterparts, the characteristics of a future agreement. The articles of the agreement have already been written, she said.

The deputy minister added that the terms of the agreement are very similar to those signed between Chile and Mexico, although not much progress has been made yet to eliminate trade tariffs because the Chilean Government first wants to carry out consultations with the private sector.

She added that during the meeting her delegation has presented a proposal for the elimination of trade tariffs similar to that established between Chile and Mexico, with a fast list to arrive at a zero tariff by 1996, and another slow list that would reach zero tariff by 1998.

The Chilean Government wants to consult with the private sector on the possibilities of selling their products in the Colombian market, while Colombia wants a simple and transparent system to eliminate the trade tariffs.

Ramirez de Rincon said that the Colombian Government is convinced that the trade agreement with Chile will generate greater bilateral exchange and new possibilities for the industrial integration among companies from the two countries, mainly because of complementary activities between the two economies.

"Only a few times has it been observed in this kind of treaty that two economies complement each other so well and compete against each other in very few products," the Colombian deputy minister said. She added that not too many sectors that may hinder the progress of the negotiations are affected.

Overall, she expressed the hope that in the next round of talks to be held during the first quarter of 1993, that the two delegations may establish a calender for the elimination of trade tariffs.

Colombia

Pardo on U.S. Troop Presence in Amazonas

PA0812035292 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 2300 GMT 7 Dec 92

[Report by Miriam Ortiz]

[Text] Once again, there is a controversy over the presence of U.S. troops in Amazonas Department. While the Second Commission of the Chamber of Representatives reported the construction of a military base in Leticia, the government announced that a radar is being set up.

The questions the Second Commission of the Chamber of Representatives will ask the defense minister will be based on this picture, showing a camouflaged camp in the jungle, a radar, jeeps, and sentry posts that provide 24-hour a day surveillance of the alleged base that the Americans have set up five minutes from Leticia.

[Begin recording] [Representative Jairo Clopatofsky] There are elements that can confirm that a large base has been set up there.

[Defense Minister Rafael Pardo] Those are just radar installations. There is no secret about this. They are military installations and obviously, the public does not have access to them. [end recording]

As in Araracuara, in Leticia the Americans run their radar in accordance with the technical cooperation agreements the U.S. Government offers Colombia in the struggle against drugs.

[Begin recording] [Clopatofsky] It is as if one were in Vietnam, with the large number of troop carriers. The people are afraid because some of the troops went into the city of Leticia wearing their military gear.

[Unidentified Reporter] Do you think that some do not want the Americans there controlling the air space?

[Pardo] I think that some people do not want radar of any kind. Specifically, those who use the air space illegally may particularly be interested in having no controls over the air space. [end recording]

The defense minister concluded that radar in this part of the country has been so effective that in the last few months, nearly 14 planes belonging to drug traffickers have been intercepted and forced to land.

Further Reportage on Airport Damage Noted

PA0412173692 Santa Fe de Bogota Emisoras Caracol Network in Spanish 1604 GMT 4 Dec 92

[Report by Manuel Antonio Salazar]

[Text] Civil Aeronautics has just confirmed that the terrorist actions carried out over the past few hours by the Simon Bolivar National Guerrilla Coordinating Board have resulted in approximately $4 million in losses. A correction has been made to the earlier report stating that two visual omni-range beacons [VOR) in Buenaventura had been destroyed. Only one of them was destroyed. That means that only four VOR's have been destroyed. Jose Joaquin Palacios, Civil Aeronautics Administrative Department director, has reported that the subversives destroyed the VOR at the Rio Negro Airport. That VOR was recently installed at a cost of $600,000. It replaced the one that was destroyed on 4 June. The instrument landing system located near Rio Negro Airport was also destroyed. Mardoqueo Cruz, the night watchman at the site, was killed by the rebels.

The VOR and distance measuring equipment [DME] were destroyed at the airports in Cucuta and Pereira. The VOR at the Buenaventura airport was also destroyed with a dynamite charge, and the radio beacon in Saravena is also out of order. Civil Aeronautics has sent technicians to Saravena to determine if the radio beacon was also blown up. Night flights to and from Pereira and Cucuta have been suspended. The Abejorral radio beacon is being checked to determine if it can be used for night flights into Rio Negro Airport.

Civil Aeronautics has also reported that it will take approximately seven months to get all the equipment into working order. Here is what Jose Joaquin Palacios said:

[Begin Palacios recording] We have accurate information on the VOR at the Rio Negro Airport and on the instrument landing system. Unfortunately, one of our night watchmen was killed in the attack. We also have information on the VOR's and DME's in Pereira and Cucuta. That equipment was completely destroyed. We have been unable to obtain information about the condition of the Abejorral radio beacon. That system is very important, but it has been out of order since this morning. We do not know if it is the result of a terrorist attack or some internal problem. Our technicians are now heading for Abejorral. We have not been able to reach the area by radio to find out what happened. It will take several hours for the technicians to reach the site by land. If the radio beacon was not destroyed, then we may be able to keep the airport open at night. If it was destroyed, we will have to stop all incoming and outgoing flights at the Rio Negro Airport until the equipment is repaired or replaced.

We have no precise information on the Saravena radio beacon. We have no radio contact with them. [end recording]

Palacios added that international flights along the Colombian Pacific coast will be rerouted. No overflights are possible due to the destruction of the VOR at the Buenaventura airport. Civil Aeronautics has said that flights into the areas where the attacks occurred will be authorized only if operations can be guaranteed in those areas. Palacios said the damage caused by these attacks is much worse than the damage caused during last year's attacks.

Eight Believed Killed in Police Helicopter Crash

PA0712223692 Mexico City NOTIMEX in Spanish 2101 GMT 7 Dec 92

[Text] Santa Fe de Bogota, 7 Dec (NOTIMEX)—At least seven Colombian police officers and a noncommissioned officer were killed on 7 December when their helicopter crashed in mountainous Putumayo Department, which borders Ecuador, military sources reported.

The helicopter, owned by the Colombian police, hit the ground minutes after taking off from the "Mirador" police base, located some 700 km southwest of Santa Fe de Bogota.

The source indicated that all eight passengers on board the helicopter, including local Police Commander Colonel Alberto Ramirez, lost their lives.

A spokesman from the security forces ruled out that the accident, which took place between the southern villages of Mocoa and Puerto Asis, was caused by guerrilla or drug trafficker sabotage.

In the last few weeks the Medellin Drug Cartel has unleashed a war against the police in that city, in which 57 policemen have been killed in retaliation for the search operations aimed at capturing fugitive drug trafficker Pablo Escobar and his men.

The helicopter that crashed was on a reconnaissance mission in the area in the framework of a counternarcotics operation, according to an official communique.

Guerrillas from the Revolutionary Armed Forces of Colombia attacked a local oil well complex with explosives and killed 26 policemen who were patrolling this same region a little over a month ago.

Bad Weather Predicted as Cause

PA0812001092 Santa Fe de Bogota Inravision Television Cadena 1 in Spanish 2309 GMT 7 Dec 92

[Excerpt] [passage omitted] The aircraft Bell 212, No. 144, fell to earth at Los Hidalgos, between Mocoa and Puerto Asis municipalities. According to the first reports, the accident was due to mechanical problems.

[Begin recording] [Police Director Nacim Yanine Diaz] Supposedly, bad weather in the region was the cause of this tragedy, which we really regret. This really saddens the National Police. However, the National Police has dispatched a rescue team and an investigating team to clarify the events, which we very much regret. [end recording]

* FARC, ELN Target Coffee Growers

[Article by Jorge Ivan Garcia: "FARC [Revolutionary Armed Forces of Colombia] and ELN [Army of National Liberation] Besiege 'Paisa' Coffee Growers"]

[Text] Southwest Antioquia—The strike staged by some 150 coffee farmers and collectors in the district of Salgar in southwestern Antioquia came to a halt early this week. The harvesters, who had been on strike for 80 days, were demanding a set monthly wage and the same guarantees that the government extends to workers.

According to Teodoro Ricaurte Campo, then commanding officer of the Antioquia Police, the work stoppage was promoted by the 20th and 14th fronts of the FARC and the Ernesto "Che" Guevara Front of the ELN.

Ermilson Vergara, vice president of the newly-created Farm Workers Union (Sintragricola), denies claims connecting the movement with the revolutionary organizations.

"It is a fact," he says, adjusting his sombrero and straightening his poncho across his broad shoulders, "that the guerrillas do go through here and so does the Army. But they do not bother us. They—I mean the guerrillas—have their way of waging their fight and we have ours."

At least 80 percent of the 26,914 coffee growers in the southwest, including small, medium-size, and big producers, have been attacked by the guerrillas. "We have to meet their demands," growers say. "They demand sleeping bags, radios, food, camouflage material to make uniforms, and money."

Even though there are no statistics on cases of extortion, kidnapping, or other types of crime owing to the fact that the victims file no reports, it is common knowledge that they have risen rapidly.

The rebels generally leave "markers" setting a price of 500,000, 2 million or even as high as 15 million pesos, based on the coffee grower's ability to pay, to be forfeited every six months. After the deadline, the price is renegotiated.

In Bolivar, a burgeoning town of 32,000 where the most powerful coffee growers in the department live, Carlos Julio Marin, who had been the town's leading coffee producer and doctor, and property manager Julio Hernan Vargas Agudelo were both murdered. The operator of La Cascada ranch was killed by a bomb and rumors have circulated about the alleged presence of a self-defense group.

Marin, who lived 35 of his 65 years in the area, was subjected to a political trial and later executed. Townspeople say the "pistoleros" left a note beside the body with a list of names of rich coffee growers in the region who they say will also be killed in reprisal because they "were bringing the Army down on them and informing on members of their organization. Furthermore, they were supporting the formation of self-defense groups."

* Flower Exporters Fear Effects of NAFTA

93SM0050B Santa Fe de Bogota EL ESPECTADOR in Spanish 26 Oct 92 p 8A

[Article by Myriam Astrid Montoya: "Mexico Will Pose Threat to Colombian Flowers"]

[Text] Under the Free Trade Agreement (NAFTA) between Mexico and the United States, prospects for Colombian flower growers are not exactly rose-colored.

The agreement will allow the Central American country to eliminate any weaknesses it has in terms of technology and quality and begin competing with the major producers (Holland and Colombia) and very possibly beat them.

The Foreign Trade Ministry of Holland, which is the world's largest flower exporter, recently released a forecast in Ohio to the effect that by the year 2002, Mexico would surpass it with sales of $700-$800 million a year.

The subject was analyzed by Juana Maria Unda, president of the Colombian Association of Flower Exporters (ASOCOLFLORES), at the seminar New Scenarios for the Colombian Agricultural Sector, which was organized and sponsored by the SAC [Association of Colombian Farmers].

The threat is all the greater when one realizes that Colombia, the world's No 2 exporter with sales of some $300 million annually, makes over 70 percent of those sales to the United States.

Perfect Merger

The business leader began by examining flower-growing conditions in the two countries scheduled to begin their free trade in 1994.

Economically speaking, it is not a powerful activity in the United States, but it is of sufficient importance to make authorities adopt major protective measures such as the antidumping tax applied to Colombia.

On the negative side are climatic changes in flower-growing areas, which translate into high greenhouse costs and high prices for land and labor.

On the other hand, Colombia does have the necessary technology and complete marketing circuits.

Mexico decided to move into the export field eight years ago. It now has 600 hectares planted and shipments abroad total some $30 million.

While labor costs are far lower, the climate suitable and the land less expensive, the quality of the product is not very good and the technology lacking.

From this comparison, one can conclude that each country has what the other lacks, which makes the promotion of flower growing in Mexico more viable, particularly given the cost factor.

Open Road

First of all, NAFTA implies free investments between the two nations, a factor which the president of ASOCOLFLORES believes may pose the greatest threat to Colombia.

Americans will be able to plant crops in Mexico, thus maximizing their comparative advantages while introducing technology and maintaining the complex market infrastructure that exists in the United States.

The advantage is all the greater when one recalls that the two nations share a 3,000-mile border.

This proximity emphasizes the importance of a second ingredient of the Free Trade Agreement: freedom of transport.

Colombia has achieved competitive shipping costs to the United States, but the distance between the two countries is not negligible.

Flowers must first be flown to Miami and several transfers must take place before they reach importers, wholesalers and, finally, retailers.

Furthermore, Bogota does not have the best warehouses or cold storage facilities at the airport, and not only do the various transfers make the product more expensive, but also result in deterioration.

It will indeed be more efficient to ship flowers across the border from Mexico in refrigerated trucks, when they may proceed directly to their destination.

Consequently, even if Mexican flowers only equal Colombia's blooms in terms of quality, they will be fresher when they reach the consumer.

NAFTA also includes a tariff reduction. The United States eliminated tariffs on Colombian flowers for a ten-year period as part of the concession made to Andean nations in connection with the fight against drug trafficking. With the treaty, it will do the same for Mexico, but permanently.

In addition, a whole set of safeguards is being put in place for Colombia, so that if American producers feel hurt by the competition, tariffs may be imposed.

Such restraints do not exist for Mexico. "Mexican flowers can kill the industry in the United States and even then there will be no safeguard," says Juana Maria Unda.

Finally, the Central American country is more attractive for investments and research because it has laws governing intellectual property, which is not the case in Colombia.

Ecuador

Duran-Ballen on Official Invitation To Join G-3

PA0512031492 Mexico City NOTIMEX in Spanish 2335 GMT 4 Dec 92

[Text] Quito, 4 Dec (NOTIMEX)—Ecuadoran President Sixto Duran-Ballen announced today that his country has been officially invited to begin negotiations to join the Group of Three (G-3), comprised of Mexico, Venezuela, and Colombia.

Duran-Ballen said the invitation issued by his colleagues of the G-3 member nations is the most important goal achieved by Ecuador within the framework of the Rio Group summit that took place from 1-2 December in Buenos Aires.

"The most important event was the invitation that Ecuador received from the so-called Group of Three to initiate conversations to become part" of that organization, he stated.

Duran-Ballen added that for Ecuador to achieve inclusion in the G-3 "would mean, in the long run, a major trade opening," with the ensuing benefits for the economic sector.

Duran-Ballen, who assumed the Ecuadoran presidency in August, labelled as positive his first participation in a summit of the Rio Group, an organization to which the majority of Latin American nations belong.

The Ecuadoran president, who is 71, returned this afternoon to Quito after participating in the Rio Group's sixth conference of presidents.

Upon his arrival to Quito, Duran-Ballen, whose stay at the Argentine capital lasted five day, was received by members of this cabinet and military authorities at the first zone of the air base in Quito.

The position set out by the Ecuadoran president at the Group of Rio sessions, on the need to solve the region's social problems, was well received by his Latin American colleagues.

At the Group of Rio Summit it was agreed to designate Ecuador as the site for the 1995 meeting of this Latin American organization of consensus.

Paredes on U.S. Aid To Fight Drug Trafficking

PA0812034992 Quito Voz de los Andes in Spanish 2200 GMT 7 Dec 92

[Text] Foreign Relations Minister Diego Paredes announced that the presence of U.S. troops in Ecuador's Amazon area is part of the cooperation by the United States to fight drug trafficking. The support consists of technical and economic assistance, reiterated the minister.

[Begin recording] [Paredes] Drug trafficking is the most serious problem. It has been emphasized that to fight drug trafficking there has to be a coordinated action by all countries, not only producer countries suffering the consequences of drug trafficking, but consumer countries also. It is part of this policy—an axiom, an international obligation—that to fight drug trafficking there must be cooperation.

[Unidentified reporter] [question indistinct]

[Paredes] To be precise I must tell you that I am not the authority to inform you about this report in detail. I wish to inform you that there is technical assistance to handle the highly sophisticated radar systems, as well as to properly operate helicopters that assist in the work to prevent our Amazon area and the Amazon area in the other neighboring countries from being used as routes for drug traffickers in this criminal trade. [end recording]

Paraguay

Pilcomayo River Agreement Signed With Argentina

PY0512153992 Asuncion ABC COLOR in Spanish 1 Dec 92 p 13

[Article by "special envoys" Nestor D. Escobar Franco and Pedro Mendez]

[Text] Buenos Aires—The representatives of the Argentine and Paraguayan Foreign Ministries yesterday reached an agreement to equitably share Pilcomayo River waters. The Argentine Government promised to reduce the mouth of the diversion channels that have taken water to Argentine territory, creating major environmental imbalances on the Paraguayan side, with the possibility of leaving a vast cattle zone—with some 3 million cattle—without water.

The agreement was signed by Latin American Relations Under Secretary Eduardo Iglesias and counselor May Lorenzo Alcala for the Argentine side; and by Under Secretary for Economic Affairs Antonio Felix Lopez for the Paraguayan side.

According to the document, which was signed at the Argentine Foreign Ministry, Argentina will guarantee the equitable distribution of the Pilcomayo River waters. This country will immediately take the corrective action that might be necessary at the place the river was diverted. Argentina promised to reduce the diversion channels built in the locality of Maria Cristina, Formosa Province, 30 km from Salta and the Paraguayan border.

According to technical reports, the Pilcomayo River has receded approximately 10 km in the past 12 months. If this persists, the river will disappear from Paraguayan

territory in seven years because of the rapid erosion of one of the lateral areas through which the river loses sediment, which have been deposited for decades.

Cattle breeder Jose Ignacio Bobadilla, a member of the Paraguayan Rural Association, has said that there are approximately 8 million cattle in Paraguay, 3 million of which graze in the Pilcomayo River zone. This accounts for 40 percent of the Paraguayan cattle stock, he said.

Bobadilla added that because of the diversion of the Pilcomayo River, all of these cattle are endangered. This would represent a major loss for the country, considering that the livestock is a major economic resource.

The aggravation of the Pilcomayo River diversion has been blamed to a considerable extent on our Foreign Ministry, which was aware of the situation.

Within this context, the Senate on 16 November asked the foreign minister to provide information on the subject. The minister assured the Senate that there is interest on the subject, "because we raised the problem, which began 40 years ago."

Corrective Measures for Channeling Water Promised

In the last bilateral meeting held in Formosa last week, Argentina agreed to work jointly with Paraguay to equitably share the Pilcomayo River waters, 80 percent of which now flow into Argentine territory through a channel built by technicians of this neighboring country.

On that occasion, Foreign Minister Alexis Frutos reported that to this effect, a decision was made to send, within five days, road construction equipment and technicians. Frutos added that Paraguay will also send its own equipment to support the recovery work.

The main problem, however, is the annual flodding of the Pilcomayo River, which is nearing. Consequently, it will be almost impossible to do the work, considering that possible flooding will last until March or April 1993.

Bank Head Blames Poor Crops for 'Economic Slump'

PY0512150492 Asuncion ULTIMA HORA in Spanish 1 Dec 92 p 8

[Text] Although denying that Paraguay is facing an economic crisis, Central Bank President Jose Enrique Paez conceded that the country's output has declined due to the difficulties encountered by the agricultural sector. Paez added that the current political uncertainty has compounded this situation.

Paez stated that the slowdown in the country's economic growth can be attributed to several causes. First he mentioned that the country has been experiencing some problems for some time, especially in the agricultural sector which, he said, "is the driving force of our economy. The national output is very closely linked to the results obtained in agricultural activities, in which approximately 50 percent of the country's active labor force is engaged. This sector accounts for a major share of the Gross Domestic Product, namely, about 35 percent. For two years now we have had adverse weather conditions, which caused our output to tumble. This, in turn, has a domino effect on our national economy."

Paez also said industry is highly dependent on the results of the harvest, as it processes much of the country's raw materials. He explained that "a reduction in agricultural output negatively affects industry, because a lower agricultural output will result in fewer industrial jobs. The inner dynamics of the industrial sector has in turn much bearing on services, transport, etc. Finally, all these problems will have an impact on our exports."

Paez added stated that "whenever the yield obtained in a crop year is good, everything goes like clockwork; conversely, when adverse circumstances prevail—such as this year and last year—there is an economic slump. This is what happened this year. The fact is that this year things got worse because, in addition to the economic slump caused by adverse weather conditions which are outside our control, the price of some commodities with a large supply in the economy, such as cotton, plummeted on the world market, triggering off the effects that everybody knows only too well. Naturally, our estimates regarding the country's economic growth in 1992 will not be attained due to this situation."

Paez said this state of affairs "has caused the government to take some measures, such as granting subsidies to farmers."

Creation of Post of Air Force, Navy Heads Proposed

PY0512195592 Asuncion ABC COLOR in Spanish 5 Dec 92 p 4

[Text] Division General Anibal Rejis Romero, military household chief; and Division General Rodolfo Escobar Anzoategui, chief of the General Staff, said yesterday that the creation of the posts of admiral and Air Force general will not result in additional expenses for the state or in the enlargement of the state apparatus. Moreover, a military source has stated that as a result of recent appointments and changes implemented in the Army, 30 percent of the Army command has been streamlined.

The defense minister yesterday submitted to Congress Message No. 508 containing the draft bill creating the posts equivalent to general of the Army. The draft bill also establishes the requisites for the promotion and retirement of Army generals and their counterparts.

In its first article, the draft bill establishes the creation of the ranks of admiral and Air Force general, which are equivalent to the rank of general of the Army. The second article specifies that the ranks of general of the Army, admiral, and Air Force general are exclusive to the military officer who is exercising the command of the respective military force.

The draft bill also establishes that the posts of general of the Army, admiral, or Air Force general will be held by the division general, the vice admiral, or the Air Force division general with a seniority of two years in his rank who is appointed commander of the respective military force.

Article IV establishes that the general of the Army, admiral, or Air Force general will retire immediately after leaving his post as commander of the respective military branch.

Article V states that this bill cancels all previous laws contradictory to this draft bill.

The defense minister's draft bill explains that Article No. 172 of the Constitution creates a public force and establishes that this public force exclusively comprises the military and police forces. Article No. 238, Clause No. 9, which details the duties and attributions of the president, establishes that the president holds the post of commander in chief and that it cannot be transferred. It also establishes that the president is entitled to appoint and discharge the commanders of the public forces. This means that the posts of commanders of the different Armed Forces branches and the police force have been created.

General Oviedo Campaigns in Alto Parana

PY0512193192 Asuncion ABC COLOR in Spanish 5 Dec 92 p 16

[Excerpt] Despite constitutional and electoral code measures in force prohibiting active-duty officers from participating in politics, General Lino Cesar Oviedo again actively participated in political activities on 2 December. Gen. Oviedo asked ANR [National Republican Association, Colorado Party] members living in Fuerte Olimpo to remain united and vote for the winner of the ANR primaries in the 1993 elections. He warned people to avoid what happened in the past municipal elections in which the opposition won in several towns. Gen. Oviedo made this statement during a visit he made to Alto Paraguay, which also was visited by ANR presidential hopeful Juan Carlos Wasmosy.

Oviedo, who spoke in Guarani, said he was visiting Alto Parana "as a Paraguayan citizen and peasant who, like you, is aware of the sacrifices people in the interior experience." Although he said he was not there to engage in internal party propaganda, on several occasions he urged people to safeguard the unity of the Colorado Party vote. He said: "I am here as a Paraguayan citizen, as a peasant, to learn about your concerns. I know that you are isolated and are suffering because of the floods."

Gen. Oviedo also said he is an ANR member. He said: "I have never nor will I ever deny that I am the fourth generation of Colorados in my family."

He did admit that, in compliance with the Constitution and the Electoral Law, he is not allowed to engage in political campaign activities because he is an active-duty officer. He explained that he was in Alto Paraguay "to engage in national politics for the well-being of all Paraguayans."

He then stated: "As a Colorado Party member, I urge you not to slander other Colorados because after the party primaries we have to work united to avoid what happened in the municipal elections. Today there are mayors in many towns throughout the country who are not Colorados." [passage omitted]

Poll Reflects Preferences for Colorado Candidates

PY0412150792 Asuncion TIEMPO 14 in Spanish 2 Dec 92 p 6

[Text] When it is impossible to establish the winner of a race with the naked eye, a green flag is raised to let a camera resolve the problem. A poll has shown that even though [Luis Maria] Argana enjoys slight advantage, the margin is only 1.2 percent. This figure does not make a categorical difference.

The persistent support for Gustavo Diaz de Vivar, which has reached 10 percent, is a remarkable feature that shows that he has sound support among Colorado Party members.

The support for Argana by 41.8 percent of the people polled reflects the favorable trend for the Autonomous Traditionalism candidate, a trend reflected in various polls in our country.

On the other hand, 7.5 percent of voters have not yet established their preferences, while 13.3 percent are still undecided. The first group of voters have not yet made a choice; the second group has made a choice but say they are not sure they will actually vote for their candidate.

The internal Colorado Party elections continue to be exciting. So far the difference in preferences is not decisive in Asuncion.

'Unity of Workers and People' Names Candidates

PY0712211492 Asuncion ABC COLOR in Spanish 5 Dec 92 p 16

[Excerpt] The so-called Unity of Workers and People [Unidad de los Trabajadores y Pueblo—UTP] has appointed Eduardo Arce and Arturo Acosta Mena as presidential and vice presidential candidates respectively. The UTP is an electoral front of the leftist organizations in our country.

Hugo Richer is the candidate for deputy in the capital and Anastasio Galeano is the candidate for deputy in the Central Department.

Arce said: "We will struggle against corruption and the economic policy of the government, which only bring hunger, misery, and backwardness among the workers and the people."

Regarding his government platform, Arce called on the working class to struggle for better salaries, land, health, housing, and education. He said the UTP will participate in the upcoming elections to become a political choice for people who are exploited, oppressed, and outcast in our society.

Vice presidential candidate Acosta Mena said the UTP was created to serve the struggle being carried out to get land, better salaries, housing, and education, and to promote solidarity around a coordinated struggle plan to win the next elections. [passage omitted]

Justice Minister Reports Plot To Attack Judge

PY0512222992

[Editorial Report] Asuncion HOY in Spanish on 3 December on page 8 reports that Justice and Labor Minister Oscar Paciello submitted a report yesterday to the Supreme Court on an alleged attack planned against Criminal Judge Felix Silva Monges.

The report says: "An inmate named Juan Alberto Sugasti said he learned that Moacir Gonzalez was looking for an individual to carry out an attack on Silva Monges in reprisal for his investigation of car thefts and the trial of the people allegedly responsible for them."

Moacir Gonzalez reportedly is acting on behalf of the known criminal Vanderlei, who operated in the Pedro Juan Caballero area and wants to eliminate Judge Silva Monges, who recently ordered the arrest of former Army commander General Humberto Garcete for involvement in the car thefts. Sugasti said Moacir Gonzalez is reportedly offering $10,000 to carry out the attack against Silva Monges.

Editorial Views Need for 'All-Out' Antidrug Fight

PY0512194192 Asuncion HOY in Spanish 5 Dec 92 p 18

[Editorial: "All-Out Antidrug Fight"]

[Text] In the beginning of this week, the U.S. ambassador to Asuncion told the media that his country had been informed that Paraguay "continues to be a route for cocaine drug trafficking—particularly the town of Pedro Juan Caballero, and, to a smaller degree, Asuncion and the Chaco region also."

In view of the importance of the U.S. Government official who made the comment, his remarks cannot be disregarded. The ambassador said the DEA and the DINAR [National Narcotics Directorate] have been conducting operations in various parts of the Paraguayan territory and seizing large amounts of cocaine and marijuana.

In view of this evidence, we cannot doubt that, in spite of the harsh blows, drug trafficking continues to erode the cement of our society and to especially hurt the youth and plunge them into degradation.

At this stage of our analysis, several people will be asking about the sort of contribution being given by the Armed Forces and police forces to this paramount task. The level of these forces and the huge numbers of their members should be translated into effective operations in the fight against such a dangerous activity that has been compromising the fate of our nation.

Several security organizations strategically distributed countrywide could perform a positive action to first control and then eradicate drug trafficking—an extraneous activity not linked to our lifestyle and identity as Paraguayans—and make it unacceptable from the moral and legal points of view.

So far, the people perceive a certain degree of ineffectiveness in the conduct by military and police forces of operations seeking to repress drug trafficking. This concept must be reversed to justify the cost the taxpayers pay to equip these forces and allow them to appropriately fulfill their duties.

The ambassador's comments put us face to face with a bleak reality. They can be used to convince us of the seriousness of the scourge and make us adopt the decision to stage an all-out fight against it.

Drug trafficking leads to drug addiction. This is a complex problem that affects all aspects of human life. It enervates moral values and transforms its victims into beings deprived of noble feelings. It loosens social relations by destroying family ties. It leads to delinquency and makes those who fall into its grip more dangerous. It affects health and opens the path to the fearful AIDS. It also negatively affects creative work and labor in general by destroying the most outstanding aspects of individual and collective behavior.

Therefore, there can be no truce in our relentless fight against drugs. The DEA and DINAR work must have the decisive support of the military and police forces. Society as a whole must plan an overall program to crush this scourge that is plotting our destruction. Only then, will we be saved from frustration and chaos.

Peru

Ministry Grants Coup Leader Salinas Safe-Conduct

PA0812014292 Lima Global de Television Network in Spanish 0101 GMT 8 Dec 92

[Communique issued by the Foreign Ministry Press Directorate in Lima on 7 December]

[Text] The Foreign Ministry informs the general public that, answering a request by the government of the Republic of Argentina, it has granted safe-conduct to Peruvian citizen Jaime Salinas Lopez Torres so he can leave the national territory. The Peruvian Government reserves the right to request the extradition of Mr. Salinas Lopez Torres if required by the Peruvian judicial authorities.
[Issued] Lima, 7 December 1992

[Signed] Foreign Ministry Press Directorate

Accusations of Coup Links Increase 'Tension'

PA0812043692 Madrid EFE in Spanish 1751 GMT 7 Dec 92

[Text] Lima, 7 Dec (EFE)—Former Peruvian President Fernando Belaunde Terry (1963-1968), top leaders of the Christian Popular Party (PPC), and the American Popular Revolutionary Alliance (APRA) have been linked to the failed November coup by military personnel now under arrest. These accusations have increased the political tension in the country.

On the evening of December 6, a television program disclosed alleged testimonies, which implicated important Peruvian politicians, by soldiers who reportedly participated in the foiled 18 November coup.

According to Lieutenant Colonel Enrique Aguilar, retired General Jaime Salinas Sedo—who has been named as the coup leader—confirmed he had held conversations with numerous politicians.

Among these were Mercedes Cabanillas, APRA acting secretary general; Alberto Borea Odria, former PPC senator and Gen. Salinas Sedo's attorney; Javier Colmenares, former senator; and Ricardo Letts, former deputy, both radical leftists.

According to retired Major Salvador Carmona Bernasconi, Salinas Sedo told him he had spoken with Borea Odria; Luis Bedoya Reyes, president and founder of the PPC and former Lima mayor; and Fernando Belaunde Terry, leader and founder of the middle-right wing party Popular Action.

Other versions attributed to Gen. Salinas Sedo were also disclosed. In these versions, he assures the plan drawn up to topple President Alberto Fujimori did not include his assassination, as the head of the state has sustained.

Alberto Borea, defense attorney for Salinas, who has had to appear before the court for his alleged participation in the 13 November coup attempt, said the statements made by the soldiers implicating him and other politicians "were obtained without legal representation and under God knows what sort of torture."

Borea said "it is obvious Fujimori is making political use of the situation to implicate the opposition in the meetings" with Gen. Salinas Sedo. "He is trying to intimidate anyone who is against him," Borea added.

Meanwhile, Mercedes Cabanillas, the acting secretary general of APRA and a former senator, was summoned to appear before the court this week regarding her participation in the foiled coup.

Abel Salinas, another well-known former APRA senator and former interior minister during the administration of Alan Garcia (1985-1990), was also called to testify.

Several opposition politicians reported Fujimori seeks to bend to his will the Democratic Constituent Congress (CCD), which was elected on 22 November.

Gustavo Mohme, a member of the senate that was dissolved by Fujimori on 5 April in an institutional coup with military support, said he does not believe Fujimori will allow the ruling majority to examine his administration or to legislate.

Antero Flores Araoz, a member of the PPC elected to the CCD, said Fujimori wants the congress to become a branch office of the Presidential Palace.

Cabanillas believes the CCD should not face any limitations and added she hopes the people understand "we are being governed by a dictator who imposes his will over that of the national interest."

The coup attempt of 13 November, the same day on which the government reported it, prompted three civilians to seek asylum in an equal number of embassies.

Julio Vera and Jorge Polack, the owners of Canal 9 and Radio Libertad, are already in Costa Rica. Jaime Salinas Lopez Torres, the son of Gen. Salinas, is waiting at the Argentine Embassy for a safe-conduct to fly to Buenos Aires.

APRA Rejects Links to Coup Attempt

PA0812010792 Madrid EFE in Spanish 2058 GMT 6 Dec 92

[Text] Lima, 6 Dec (EFE)—The center-left American Popular Revolutionary Alliance (APRA), the party of former Peruvian President Alan Garcia, on 6 December denounced "any attempt" to link APRA with the thwarted coup attempt against President Alberto Fujimori on 13 November.

APRA believes that from the beginning the government attempted to "link" the party to the retired soldiers involved in the thwarted coup in order "to isolate our party and its leaders from the nation's political life," according to a communique issued on 6 December.

In the document signed by the party's National Executive Committee, APRA protested "the political persecution unleashed against businessmen such as Julio Vera Gutierrez, Jorge Polack, and Jaime Salinas Lopez Torres, who are currently in asylum because their lives are not guaranteed."

Vera Gutierrez, owner of Lima's Channel 9 television, has been granted asylum in Costa Rica; Polack, who is in the radio business, is in Chile; and Salinas Lopez Torres sought refuge on 4 December at the Argentine Embassy in Lima after President Fujimori linked him to the coup attempt.

Vera sought asylum because General Jaime Salinas Sedo, retired, who was accused by Fujimori of leading the attempt, was in a vehicle owned by Vera at the time of his arrest.

Polack and Salinas Lopez Torres, Gen. Salinas' son, were the only civilians arrested on 13 November after the coup failed.

The former fled the country and the latter sought refuge at the Argentine Embassy after his release on probation.

The APRA communique reports "it is symptomatic" that two of the men who sought asylum are "directors of independent media sources, which is an indication there will soon be a crack down on freedom of expression."

The communique also states "solidarity" with Maximo San Roman, the "constitutional president" of Peru, designated as such by the congress that was dissolved following the coup d'etat by Fujimori on 5 April, and with former Senators Alberto Borea of the conservative Popular Christian Party (PPC), and Mercedes Cabanillas and Abel Salinas of APRA.

The former senators have been investigated by the prosecutor general to establish if they participated in the coup attempt.

The document points out "the first victim of political persecution was former President Alan Garcia and the first political prisoner was Agustin Mantilla."

Garcia sought asylum in Colombia in June after accusing the government of political persecution and Mantilla has been under arrest since 5 April after being charged with illegal possession of war weapons.

The communique "publicly acknowledges" the decision by Gen. Salinas and the other soldiers involved in the attempt "for their eagerness to restore the true role of the Armed Forces and to their submission to a de facto government" and for "their resolve to restore full democracy."

Shining Path Armed Strike Paralyzes Ayacucho

PA0412141992 Paris AFP in Spanish 0214 GMT 4 Dec 92

[Text] Ayacucho, Peru, 3 Dec (AFP)—Residents of Ayacucho locked themselves in their homes today in view of death threats made by the Shining Path against those who [words indistinct] a 24-hour armed strike to commemorate the 58th birthday of their leader Abimael Guzman, journalistic sources in that city of 100,000 inhabitants have reported.

Business establishments closed down, streets were empty, and workers did not go to work, despite the fact that armored vehicles and military trucks patrolled the city to safeguard the lives of inhabitants.

Public workers went to their work sites only to punch their time cards to avoid being fired and returned home immediately.

Urban and interprovincial bus service was nonexistent, affecting residents of the neighboring departments of Apurimac and Huancavelica.

The Ayacucho residents' fear of disobeying the Shining Path orders stems from the fact that, as has occurred previously, days prior to an armed strike "annihilation commandos" sabotaged private properties, staged murders, and carried out other violent acts.

The Ayacucho Political Military Command warned residents the night of 2 December that anyone who heeded the 3 December "armed strike" would be making an "apology for terrorism" and, according to the new laws, can be sentenced to prison.

The military command reminded public, private, commercial organizations, and people in general that provisions are in effect which order the "strict fulfillment of work by the public sector" and "oblige the transportation sector to render public service."

Thus far it is not known how the penalties will be enforced.

The Shining Path did not stage any attack on 3 December in any cities of the department of Ayacucho, which gave birth to the organization.

Four members of the current political bureau were born in Ayacucho, 575 km southeast of Lima. They are: Teresa Durand Araujo, "Doris;" Ostap Morote, "Luis;" Oscar Ramirez Durand, "Feliciano;" and Angelica Salas de la Cruz, "Lucia." The fifth member, Margie Clavo, "Nancy," hails from the southern city of Arequipa.

Since its birth in 1980, the Shining Path has commemorated Guzman's birthday by staging attacks.

Shining Path Rebels Attack Town, Kill 7 People

PA0612044792 Madrid EFE in Spanish 0129 GMT 6 Dec 92

[Text] Lima, 5 Dec (EFE)—A column of 30 activists of the Maoist Shining Path group killed at least seven people during an incursion in San Pedro de Cajas on the night of 4 December.

The Shining Path members forced the victims out of their houses and took them to the town's main plaza where they held a "popular trial" then slit their throats.

The incursion occurred after a blackout apparently caused by the rebels, which facilitated their action, a local television station reported on 5 December.

The killers left the town after burning some of the victims' houses.

According to Prosecutor Javier Robles, who ordered the removal of the corpses, the Shining Path rebels left notes implying that the victims pretended to be rebels in order to carry out extortions.

San Pedro de Cajas is located 38 km from Tarma, capital of Tarma province, in Junin Department in the Peruvian central mountain range.

Fujimori Comments on Continuing Economic Reforms

PA0712172492 Lima Panamericana Television Network in Spanish 1200 GMT 7 Dec 92

[Text] President Alberto Fujimori indicated that he will continue with the structural reforms to the Peruvian economy aimed at making it more competitive and stronger. He also announced that during 1993, inflation is expected to reach to 30 percent annually, and that by 1995 it should fall to at most 10 percent. Likewise, he disclosed that as of next year, Peru will be receiving normal credit once again. The aforementioned pronouncements were made during his speech at the closing of the Annual Conference of Business Executives (CADE) 92 that was held recently in Ica.

[Begin Fujimori recording] It is not possible to advance toward the future if we cannot rely on a competitive labor force, subject to labor laws that favor an increase in employment and investment. There is no need for labor legislation that merely introduces restrictions and at the same time only serves to protect those privileged few who are able to obtain employment, but prevents a new generation of workers from entering the labor market. This issue, which is so sensitive, goes hand in hand with the recent negotiations undertaken to privatize Hierroperu [Peruvian Iron Mines Enterprise]. I am quite sure, just as most of you are, that this successful operation would have never been accomplished if we had not proceeded to streamline the enterprise first. I must ask myself, what foreign investor would be interested in an enterprise overextended as well as over regulated?

The labor issue has always been an issue surrounded by a cloud of mystery, and it has always been an untouchable one. However, now that we have made the decision to vigorously do something about it, what is going to take place will become a scandal for some orthodox Marxists; the same that has occurred with other untouchable issues we have addressed. The best stability of a worker is his own work, his ability, his honesty, as well as his devotion to work. It is difficult for any businessman to defend himself from an efficient worker.

In addition, we are overseeing the level of employment when we prevent too many enterprises from going bankrupt. We are aware that the process of adaptation an enterprise must go through is difficult. It is especially difficult if the enterprise is used to a process of subsidy, as well as [words indistinct] and then the enterprise is suddenly expected to become more competitive. Many enterprises are never able to make the transformation. That is why the state must see to what is within its reach in order to ensure that the trauma of this transition is as small as possible. In this manner, maintaining employment is the fundamental and most logical objective.

As relates to economic matters, there are no [words indistinct] since they have all been identified. We must now negotiate the program with the IMF. This administration does not accept communist expressions such as No IMF! However, we must let the people know the truth. We are not going to give up one inch of our sovereignty, neither will we lose face because we have to negotiate with the IMF. The debt was not contracted by this administration. And what a debt it is! Much of the debt was contracted by using different methods to grease palms. I would rather not enter into this issue because I might once again touch a raw nerve of some politicians around here. This is the debt we must now repay. This is the same debt that was never supervised by any of the 4 April parliaments, previous to that date, or ever the previous administration for that matter.

When the crucial moment [word indistinct] arrived in Peru approximately eight years ago, all of a sudden we became outcasts of the international financial system. At the time, it was decided that Peru would not repay the Inter-American Development Bank [IDB], the World Bank, and, least of all, the IMF. In other words, it was not just a matter of refusing to repay the private creditor banks, but also the multilateral financial organizations. Fresh funds were needed urgently, but it had been decided not to repay. Thus, the economic crisis reached its worst level. The country then, not only did it not repay its debt, but this also meant that neither did it receive one penny of new funds. In addition, it continued to sink deeper and deeper into an economic pit of complete fiscal disorder, hyperinflation, and chaos. I will never allow this to happen again. [end recording]

Fujimori Announces Sale of Iron Company

PA0512184792 Lima Global de Television Network in Spanish 0100 GMT 5 Dec 92

[Text] President Alberto Fujimori has announced that Peru will receive $120 million before the end of the year as a result of the sale of the Peruvian Iron Mines Enterprise [Hierroperu] to a Chinese consortium.

The head of state said the money will be used to build schools and generate employment.

The president said the process of returning savings to account holders at the Popular Bank of Peru will be completed.

Fujimori also took time out from his official activities to preside over the traditional changing of the guard ceremony at the main yard of the Presidential Palace. He was accompanied by Oscar de la Puente, president of the Council of Ministers, and representatives of the National Association of Saddle Horses.

Hundreds of Lima and rural school students were also present at the yard as guests. People who had spontaneously gathered for the ceremony praised President Fujimori, who broke protocol to approach the people and

thank them for their expressions of fondness for him and support for the government.

The chief of state told journalists accredited to the Presidential Palace that the country will be receiving $120 million before the end of year as a result of the sale of Hierroperu to a Chinese business consortium.

After saying that this substantial amount of money will be used for social works such as building schools and creating jobs, Fujimori said that the adjudication contracts have already been signed.

Regarding the Popular Bank problem, President Fujimori said the savings deposited in this bank will be returned to the account holders.

[Begin recording] [Fujimori] The truth is that there is a large balance of past due bills, something that is, of course, a source of concern. This bank has not been an attractive investment. We cannot push privatization when a financial entity does not have much potential. Regarding the past due bills, we are going to issue a decree to authorize the liquidation commission to collect the bills.

[Reporter] Did some group benefit from this institution?

[Fujimori] Some groups have undoubtedly benefited. Transactions were made, let us say, for $20 million, but at payment time, taking advantage of the devaluation, probably only $3 or $4 million were paid to the bank. No financial institution can withstand something like that. [end recording]

Reiterates Stance

PA0512185792 Lima Global de Television Network in Spanish 0100 GMT 5 Dec 92

[Text] At a ceremony to make the sale of the Peruvian Iron Mines Enterprise [Hierroperu] to a Chinese business consortium official, Peruvian President Alberto Fujimori reiterated that his administration guarantees and supports foreign investments in Peru.

Documents were exchanged to make the Peruvian Government's sale of HIERROPERU to Shogun Corporation of the People's Republic of China official. The corporation paid $120 million for the Peruvian mining enterprise.

The ceremony took place in the Government Palace's Dorado Room and was attended by state ministers, Chinese Ambassador Dai Shiqi, Shogun Corporation Vice President (Qui Boaseng), and Peruvian former Ministers Jaime Yoshiyama and Victor Joy Way.

(Boaseng) said the consortium he represents will own Hierroperu as of 1 January 1993 and will obey Peruvian laws.

[Begin recording unidentified speaker] The contract is already officially signed. This has turned a new page in the history of [words indistinct]. [end recording]

President Fujimori said his administration fully guarantees and supports foreign investments. He said the funds secured by this sale will be used to care for the neediest sectors.

[Begin Fujimori recording] [Words indistinct] important to have China [words indistinct]. [end recording]

Drug Trafficker Sentenced to 15 More Years

PA0712150492 Hamburg DPA in Spanish 1811 GMT 5 Dec 92

[Text] Lima, 5 December (DPA)— It was reported in Lima on 5 December that a court in Lima sentenced Reynaldo Rodriguez, the biggest Peruvian drug trafficker, to 15 years in prison. Rodriguez has been in jail for many years serving an even longer sentence.

The sentence was announced after authorities confirmed the links Rodriguez, known as "The Godfather," had with Italian Italo Scolezzi and Colombian Luis Fernandez, two international drug traffickers who were arrested in Lima in 1984 with 23 kg of cocaine.

This was the third sentence issued against Rodriguez, who had already received 25 years for drug trafficking—following the dismantling of the largest Peruvian Mafia organization—and three more years for tax evasion.

'Official' CCD Election Results Released

PA0612044592 Lima Global de Television Network in Spanish 0100 GMT 6 Dec 92

[Text] Here we have the official results of the elections in the entire country except Loreto Department. The results confirm that Change 90/New Majority Movement coalition will have 44 seats in the Democratic Constituent Congress [CCD] which is a comfortable, absolute majority.

The Independent Moralization Front [FIM] took second place, ahead of the Popular Christian Party [PPC]. The results of Loreto Department will not change this order.

Change 90/New Majority Movement coalition received 2,985,405 votes, 49.69 percent of the total, with 44 seats; the FIM received 609,166 votes, 10.14 percent, with nine seats; the PPC received 585,446 votes, 9.74 percent, with eight seats; Independent Renewal Movement received 431,762 votes, 7.19 percent, with six seats; Left-Wing Democratic Movement received 330,643 votes, 5.50 percent, with four seats; Democratic Coordination received 299,284 votes, 4.98 percent, with four seats; National Front of Workers and Peasants received 225,230 votes, 3.75 percent, with three seats; Solidarity and Democracy received 110,158 votes, 1.83 percent, with one seat; Independent in Action Movement received 102,894 votes, 1.74 percent, with one seat; Peruvian Popular Agrarian Front received 34,746 votes, 0.58 percent, with no seats; and other parties received 293,131 votes, 4.88 percent.

The total number of votes that were cast were 6,007,865 for a total of 80 seats.

Uruguay

Lacalle Favors 'No' Vote in 13 Dec Referendum

PY0412204792 Montevideo Radio El Espectador Network in Spanish 0830 GMT 4 Dec 92

[Text] President Luis Alberto Lacalle ruled out the possibility for the law on state-owned enterprises to be discussed again in this session of Congress if the majority of Uruguayans vote yes in the referendum to be held on 13 December [A yes vote favors deleting five articles of the law; a no vote favors keeping the articles]. Nonetheless, he was confident the decree issued to clarify the law on state-owned enterprises might tip the scale in favor of the no vote. Lacalle made this statement in the city of San Jose in a news conference during a tour of San Jose Department.

He said former President Julio Sanguinetti's stance on his administration is completely different from the one maintained by the National Party [Blanco Party] during the Colorado Party administration, not only insofar as what Wilson Ferreira accomplished but for the Herreraist achievements from the Senate and Chamber of Deputies floor as well.

Lacalle trusts the decree issued to clarify the regulation of the law on state-owned enterprises will help those who had serious misgivings about supporting the foregoing law change their mind and vote no in the upcoming referendum.

Lacalle added that the approach is remarkably different not only in light of Ferreira's political prowess, in which he excelled, but also for what Lacalle himself did, how he tried to help Ferreira from the modest two seats that the Herreraists had in the Senate, and the four seats in the Chamber of Deputies.

He added that if the yes vote wins in the referendum, that would be the end of the issue during this session of Congress. If those who will vote yes win a victory, namely the Broad Front and the groups that have endorsed the Broad Front stance, they would have to agree that if they vote yes they should have a similar proposal. Lacalle said the issue will have to be put off until political circumstances change if there is no interest now in making progress to settle this issue of the state reform.

Lacalle once again linked the current wave of upheaval to the upcoming referendum and decided not to grant the PIT-CNT [Interunion Workers Plenum-National Workers Convention] the private audience it had requested on 30 November.

In a note addressed to PIT-CNT Chairman Jose D'Elia, Lacalle underscores the fact that it is quite difficult to find an administration comparable to the present one, which has been so well-disposed towards trade unions, which has paid heed to their grievances and suggestions by finding solutions to social problems and by undertaking a common action such as the case of the Mercosur [Common Market of the South]. Lacalle recalls that it was his administration, together with qualified and authorized trade union leaders, that worked quietly for several months in order to find a way out within what he called social dialogue.

According to Lacalle, the executive branch is not to blame for the failure of the social agreement, which had such a broad consensus, but rather some factions within the PIT-CNT, which proposed radical solutions.

The note adds that now the PIT-CNT is urging Uruguayans to vote against the law on state-owned enterprises in the upcoming referendum by means of a massive advertisement campaign, which besides telling despicable lies, prods people to vote against the foregoing law as a way to condemn the government and its policies.

The note goes on to say that there is an obvious link between the current trade union measures against the administration's economic policy and the PIT-CNT's decision to vote yes in the upcoming referendum. Therefore, the note concludes, the executive branch sees fit not to grant the audience that organization had requested before 13 December. [passage indistinct]

Criticizes Attacks on Campaign Offices

PY0812002092 Montevideo Radio El Espectador Network in Spanish 2300 GMT 7 Dec 92

[Excerpt] President Luis Alberto Lacalle, who today dedicated several projects in Florida, has reiterated that order and tranquillity will prevail during the referendum scheduled for Sunday, 13 December.

Lacalle said that to talk about a popular mobilization [una pueblada] shows a lack of respect. Commenting on some isolated attacks on campaign offices, Lacalle said that these are last-ditch actions by people who incapable of understanding, who do not know how to live in peace and democracy.

[Begin recording] There is an atmosphere of normality for most of us. Unfortunately, there are always negative elements. There have been threats, I should say, of mobilizations which would be entirely out of place in our country. They have talked about organizing a popular drive if the yes-vote wins, which I regard as a tremendous lack of respect for the Uruguayan voters. The question here is to vote and the political position of those obtaining more votes will be respected. Nothing else.

In recent hours, there have been some attacks against some electoral offices of the no-vote. I trust that these are just last-ditch actions by those people who do not understand that the majority of Uruguayan people want to settle this dispute, as it should be, in the ballot boxes in an atmosphere of peace and tranquillity for everyone. I

trust that this type of position will prevail and, on Sunday, showing respect for each other, we will decide what should be done over the next few years in our country. [passage omitted] [end recording]

Aguirre Views Upcoming Referendum

PY0712175792 Montevideo Radio El Espectador Network in Spanish 0830 GMT 7 Dec 92

[Text] Uruguayan Vice President Gonzalo Aguirre has promised he will not say anything about the new law on public companies after 13 December. In connection with former President Julio Sanguinetti's proposal and siding with Colorado Party faction leader Jorge Battle, Aguirre stated that those who advocate a yes-vote in the 13 December referendum [on privatization] are looking at the issue from an electoral and partisan viewpoint. Aguirre said that the abrogation of five articles of the law in question will benefit no one, but will harm everyone.

During a television program, the vice president said that preparing for the Common Market of the South, not curbing inflation, is the administration's top priority. He said it would be very difficult to bring inflation below 50 percent per year. Aguirre explained that for three years the Blanco Party administration has been trying to reduce inflation, but for the time being, this objective should be set aside and other targets addressed.

Aguirre stated that the cabinet changes that will reportedly take place after the referendum are reasonable, but this does not mean that the entire policy will be changed. Whether it is necessary to reassess the situation and partially amend the course will be decided in due time with the participation of both the cabinet and the leadership of the Blanco Party. For the time being we are focused on the campaign for the referendum.

Aguirre emphasized that he does not agree with former President Julio Sanguinetti, but rather, with Jorge Battle who had said that once the people make their choice known at the referendum the issue will be decided.

He stated: it is not a matter of saying; let's start all over again beginning 14 December. Not at all, on 14 December people will be thinking about the year-end holidays and Congress will be in recess during January. Furthermore, once the people say that they want the law, how can a political leader come out and say: we are going to amend it anyway whether you like it or not. No politician has the authority to do this even if it may be legally possible.

Succession of Strikes Reflects Social Unrest

PY0712181492 Madrid EFE in Spanish 1545 GMT 4 Dec 92

[By Alberto Pepe Leira]

[Text] Montevideo, 4 Dec (EFE)—Strikes in key public and private services epitomize the atmosphere of growing social unrest in Uruguay throughout the final stage of the campaign that will culminate in a referendum on 13 December to decide the fate of the privatization process.

In addition to the pressure applied by public servants unions which oppose "foreign control" of state companies, salary demands follow the administration's decision to set a ceiling for salary agreements between private employers and workers.

The referendum scheduled for 13 December will not only resolve the conflict over the privatization of key public companies but will also pass judgment on the neoliberal policy of President Luis Alberto Lacalle's administration.

The opposition has called upon the people to take to the streets if the result of the referendum is favorable to the abrogation of the privatization law and "demonstrate against the administration's economic policy."

Government spokesmen reacted by accusing those who advocate the demonstrations of seeking to "destabilize" the administration and reported that there is "an attempt to undermine the institutions."

In the midst of a confusing political scenario, Uruguayans are witnessing a veritable competition of strikes, demonstrations, and stoppages by labor unions.

Transport services have been irregular throughout the week following a succession of "surprise" strikes by public transportation in Montevideo, where half of Uruguay's 3 million population lives, and has been unavailable, for the most part, since 30 November.

Doctors have been on strike since 1 December and will remain on strike until midnight 5 December.

The two conflicts are prompted by the administration's refusal to approve the agreements reached with the employers because the salary increases surpass the 35 percent ceiling established for salary hikes for the next 12 months.

Housewives will face another problem this weekend because it has been announced that there will be a shortage of piped natural cooking gas due to labor conflicts at the company that provides this service in Montevideo.

High-school teachers have announced that they will not teach next year unless they are granted a 100-percent salary increase.

Pensioners associations have reported that they will demonstrate outside the Social Welfare Bank on 9 December demanding a Christmas bonus for which the administration has not budgeted.

The situation of salaried personnel and pensioners hit by high inflation—which, despite dropping, is still bad enough to destabilize Uruguay's economy—is the main cause of social unrest.

November inflation stood at 1.69 percent and the accumulated inflation for the last 12 month is 58.65 percent. Real salaries took a 1.78 percent dip between January and October this year.

According to the independent weekly BUSQUEDA, salaries have experienced a net decline of 3 percent during President Lacalle's administration, which was inaugurated in March 1990.

The same source added that the purchasing power of public servants' salaries has declined by 10.6 percent compared to during the prior administration (1985-1990).

Deployment of Troops to UN Peace Force Debated

PY0512125492 Madrid EFE in Spanish 1509 GMT 1 Dec 92

[Report by Alberto Pepe Leira]

[Text] Montevideo, 1 Dec (EFE)—The Uruguayan Government is considering the participation of 750 military personnel in the Peace Force that the United Nations is preparing to send to Mozambique while the Uruguayan Army prepares 425 soldiers for the biannual relief of troops deployed in Cambodia.

With the Uruguayan presence in Mozambique, this will be the sixth time that Uruguayan soldiers join the UN blue helmets since 1948, or the seventh time if their participation in compliance with the Camp David agreements signed between Israel and Egypt is taken into consideration.

Military sources have reported that 11 observers from the Uruguayan Army and Air Force will travel to Mozambique in the next few days to join a UN Peace Force.

Another 11 officers will travel to Cambodia before the end of the year to reinforce the Uruguay Battalion which has been deployed in Southeast Asia since June 1992, at the vanguard of a group of 425 soldiers who are training to relieve another group in January.

The United Nations invited Uruguay to participate in the Peace Force in Mozambique under the same conditions as in Cambodia.

The authorization of this mission to Mozambique will be debated in Congress according to the national laws.

The stance of the opposition, whose votes are necessary for approval of the mission, is not known now given the intense debate on the presence of Uruguayan soliders in Cambodia and the danger this represents.

Never before has such a harsh dispute taken place in the country as the one unleashed by the presence of Uruguayan soldiers in the conflict zone of Cambodia.

The sole mention that the group took along 70 body bags has generated harsh criticism against the government for sending Armed Forces personnel to a very dangerous zone.

The mission in Cambodia as well as the future one to Mozambique, are very far from the task the Uruguayan soldiers complied with in other parts of the world, such as on the border between India and Pakistan, and Iraq and Kuwait, and on the borders of Western Sahara and El Salvador, or being a member of the military office of the UN Secretary General in Teheran.

It will also not be unlike their participation, with a transport unit, in the force created by the Camp David agreements and promoted by the United States and signed by Egypt and Israel.

Criticism has not decreased with the explanations from the Uruguayan Foreign Ministry saying that the Uruguayan forces are in Cambodia only to verify the withdrawal and non-return of foreign troops, the effective ceasefire, and the control of weapons within the framework of the Paris Agreements.

The fact that the commanders of the Army, Juan Rebollo, and the Air Force, Carlos Pache, have travelled to Cambodia to verify the state of the troops in the face of charges that some soldiers had contracted malaria, has also not been enough to quell the criticisms.

Brazil Wants Inquiry of Money Laundering Claims

PY0712203692 Madrid EFE in Spanish 1312 GMT 7 Dec 92

[Text] Montevideo, 7 Dec (EFE)—The Uruguayan Supreme Court is currently studying a request from Brazilian officials to investigate in the Uruguayan financial market money "laundering" from drug trafficking.

According to EL OBSERVADOR FINANCIERO, the Cisneros Dutra Goncalves company, a legal Sao Paulo auditing firm, is being investigated by the Brazilian Government for its alleged links with the "laundering" of capital.

Judicial sources indicated that the Uruguayan Supreme Court received a request from the Brazilian Government for information on the banking activities of several people who work for the firm under investigation.

The request will be submitted to the Ninth Criminal Court of Montevideo, which has jurisdiction in this case.

Banking confidentiality for all types of financial activities prevail in Uruguay, but an investigation can be carried out if a criminal judge finds evidence of irregularities.

EL OBSERVADOR ECONOMICO said that the Brazilian firm is being investigated by the Fourth Criminal Court of Sao Paulo for alleged links with companies involved in money "laundering."

The newspaper also said that the Brazilian request coincides with a new plan implemented by the DEA to fight against illegal financial activities related to drug trafficking.

Basel Convention Seeks Rules on Toxic Transport

PY0312173392 Madrid EFE in Spanish 2228 GMT 2 Dec 92

[Text] Piriapolis (Uruguay), 2 Dec (EFE)—Experts from the signatory countries of the Basel Convention on transport of toxic material today approved a draft law on transport of hazardous waste from one country to another. This draft law will serve as a model for each signatory country to pass as law.

After three days of discussions, more than 300 experts submitted the draft model to a ministerial meeting that is scheduled to begin tomorrow, 3 December, at the Piriapolis beach resort, 96 km east of Montevideo.

The meeting is being organized by the UN Program on Environment and by the Uruguayan Housing and Environment Ministry.

Sources close to the meeting have told EFE that the model will have to be adapted to the needs of each state so that it conforms to each country's internal laws.

The draft model describes the various types of hazardous waste and mechanisms for custom offices and environment ministries to apply international treaties.

The international ecology organization "Greenpeace" has charged in Piriapolis that transfers of "toxic waste" are being disguised under alleged materials for "recycling" and alleged contributions for industrial projects in developing countries.

The Basel Convention, which was signed in 1989 by 104 countries, went into effect this year following ratification by 35 signatories. The convention does not include specific provisions to regulate the as yet uncontrolled transport of toxic waste.

Mostafa Tolba, executive director of UN Environment Program, admitted that this is the case and noted that "the convention is not a cure-all," but it is a beginning.

Bolivian Aymara Indigenous Leader Requests Asylum

PY0712222692 Madrid EFE in Spanish 1528 GMT 7 Dec 92

[Text] Montevideo, 7 Dec (EFE)—Bolivian indigenous leader Victor Machaca Quispe announced in this city today that after learning that the Bolivian Government has requested his arrest for allegedly being the ideological instigator of the Tupac Katari guerrilla group, he will ask for political asylum in Uruguay.

The reason for my arrest, Machaca Quispe said, "is that the government does not want me to participate in the elections," given that today is the last day for legally registering candidates for the upcoming 7 June elections.

According to the indigenous leader, the charges are "false" because he has nothing to do with the Tupac Katari Movement, something which the Bolivian Government "knows well."

Machaca Quispe has travelled to Uruguay to participate in the first Encounter of Indigenous Peoples sponsored by the Montevideo Municipality. He is secretary general of the South American Indigenous Council, an organization that is a member of the World Council of Indigenous Peoples.

The Uruguayan Indigenous Association stated in a press communique that Machaca Quispe is an Aymara leader from Kollasuyo, currently in Bolivian territory.

The Uruguayan indigenous peoples have confirmed the request for asylum and said that Machaca Quispe has received a telephone message informing him that the Bolivian Government has issued "an arrest warrant" against him.

"The Aymaras, just like any other indigenous peoples, are human begins who respect life, want freedom and development, but in keeping with our social structure and science," Machaca Quispe told journalists in Montevideo.

Uruguayan Foreign Ministry sources said that a petition for asylum like the one presented by Machaca Quispe must be analyzed according to the juridical norms of the country.

Uruguay grants asylum to persecuted politicians, but if the crimes are connected with common crimes, Uruguay may refuse to grant asylum and instead allow an extradition proceeding through the courts.

Venezuela

CSE Explains Delay in Releasing Election Results

PA0712195492 Caracas Venezolana de Television Network in Spanish 1550 GMT 7 Dec 92

[Report by Cecilia Pachano]

[Text] We are at the vote counting center in Libertador municipality in Caracas. Armando Benchimol, president of the principal electoral council, will explain why the first official bulletin on the vote counting has not yet been released.

[Pachano] What has happened?

[Benchimol] The president and the other members of the Supreme Electoral Council [CSE] issued a resolution recommending the creation of six vote tallying boards in Libertador. The electoral certificates started to arrive last night, but the members of these boards, who are members of Cause R, New Democratic Generation,

Social Christian Party, Democratic Action, and Movement for Socialism, had not yet reached a consensus. Three and even four hours passed before a consensus was reached. Consequently, we started our work at midnight.

[Pachano] How many certificates have been processed so far?

[Benchimol] Approximately 800.

[Pachano] It has been reported that only about 300 have been processed and accepted and that the rest have been declared null. Can you explain?

[Benchimol] Nothing has been declared null so far. Once the transcriber feeds the 380 certificates into the computer, these certificates are revised by the tallying board and approved. The rest of the certificates are yet to be approved.

[Pachano] It has been said the process has been quicker in other municipalities. What is the reason for the difference?

[Benchimol] The difference has been caused by the several hours it took the members of the tallying board to become organized.

[Pachano] There is some nervousness. As a member of the CSE, you said the purity of the elections is guaranteed.

[Benchimol] The elections are pure. The possibility of a sleight of hand does not exist because of the perfect system established by the CSE. In all the voting sites throughout the country, all political parties were allowed to participate, either directly as voting table members or electoral, municipal, or regional witnesses.

[Pachano] At what time does the CSE expect to release the first official bulletin?

[Benchimol] At about 1700.

CSE President Comments on Elections

PA0712162692 Caracas Radio and Television Networks in Spanish 1530 GMT 7 Dec 92

[Statement by Supreme Electoral Council President Isidro Morales Paul in Caracas—live]

[Text] Yesterday Venezuelans went to the polls to express their political commitment in support of the democratic system of government and in the ballot as an instrument to settle our political and social problems. The process took place in an atmosphere of civic spirit and mutual respect. I want to reiterate, on behalf of the Supreme Electoral Council, our fullest backing of the election results, whatever they may be.

I call on political organizations and candidates in the different posts to remain calm and to wait for the official election results, which will come from the appropriate electoral entities. Nobody can report final results until they are announced. In some states, the election results show a slim margin of difference between some candidates. This situation calls for a high degree of calm and political coexistence, which is indispensable for the good development of this process.

Electoral organizations must accelerate the vote-counting process and do so in a public and honest manner, in the presence of the political organization representatives, witnesses, district attorneys, and all the personnel authorized to observe it. It is done this way to avoid any doubts on the matter, so that all the political forces involved and the electorate in general can accept the results that unequivocally reflect the will of the people. Thank you.

Perez Praises Public for Participation

PA0712172792 Caracas Venezolana de Television Network in Spanish 1550 GMT 7 Dec 92

[Text] President Carlos Andres Perez has congratulated the Venezuelan people for the attitude they displayed during the 6 December elections. According to Perez, everyone was a winner; there were no losers in the 6 December elections. President Perez stressed that Venezuela gave a demonstration of true democratic maturity when the people went to vote responsibly. He reaffirmed the government's commitment to the people who, from now on, will have a greater ability to demand solutions to their problems. The president also said coups have been buried for good and democracy has been reaffirmed.

[Begin Perez recording] What we, the democrats, made up our minds to do was to win for Venezuela by reaffirming democracy. The fact that more than 50 percent of the Venezuelan people voted on 6 December after the serious drop in the number of voters in the last election, the fact that there was not a single negative incident throughout the country, and the enthusiasm on the streets that we saw through the television cameras, tells us that the Venezuelan people used the 6 December elections to reaffirm democracy.

The results...well, the results I am interested in as head of state are definitely good. Approximately 80 percent of the Venezuelan people voted for candidates from the two parties that have assumed the responsibility of leading the democratic process. The election has also given new parties and new forces the clear assurance that they can also win elections and that it is not true that elections in Venezuela are prearranged or are controlled by money or certain groups of Venezuelans. That is not so. For Venezuela and the world, Venezuela's democracy was reaffirmed as a great democracy on 6 December.

On 6 December we finished defeating the dictatorial attempts in Venezuela. What I said earlier I reaffirm now. Never again will there be a coup in Venezuela. The coups will be carried out through the ballot boxes. Every Venezuelan, despite his beliefs, will know that he can win an election. On this day we must all be happy; those who voted for opposition candidates, because the opposition won in many areas; and those who voted for

candidates who had very little chance of winning but who nevertheless won. They saw that here in Venezuela there is absolute freedom to vote.

Therefore, I wish to congratulate all the Venezuelans. [end recording]

Interior Minister Vows To Respect Results

PA0712234292 Caracas Venezolana de Television Network in Spanish 2245 GMT 7 Dec 92

[Statement by Interior Affairs Minister Luis Pinerua in Caracas; date not given—recorded]

[Text] In accordance with the message delivered on the morning of 7 December to the nation by the president of the Supreme Electoral Council [CSE], I, as interior affairs minister, want to state the government is monitoring the events that have taken place in some locations concerning the results of the 6 December elections. These are merely contradictory reports from different campaign groups.

Certainly, there are some cases in which the difference is close and the victory will be obtained by a narrow margin. It must be known and remembered, however, that in Venezuela there is a tradition of absolute and sacred respect for the will of the people. I must guarantee to Venezuelans—on behalf of the government—the administration is willing, not only to respect the results of the 6 December elections, but also to make them respected, regardless of which candidates, parties, or electoral groups win. I give assurances to this effect.

In keeping with this, I call on the leaders of political parties and the candidates to wait patiently and calmly for the results of the CSE. There is no risk the tally sheets will be tampered with, replaced, or destroyed, because the CSE—as tradition has always demonstrated—is ready to overcome any obstacle. There are authenticated copies of all tally sheets at the CSE.

Therefore, there is no reason to stage demonstrations or disrupt public order. Let it be known the CSE and the government will guarantee the honesty of this election. Nothing will prevent the will of the population from being fully respected and fulfilled. Thank you very much.

Court Orders Arrest of Officers Involved in Coup

PA0712180892 Mexico City NOTIMEX in Spanish 1548 GMT 7 Dec 92

[Text] Caracas, 7 Dec (NOTIMEX)—It was reported on 7 December that the ad hoc military court in charge of trying the persons involved in the abortive coup of 27 November has ordered the arrest of three coup leaders—a general and two rear admirals. Rear Admiral Hernan Gruber Odreman and Luis Cabrera were under arrest, but Air Force General Efrain Francisco Visconti sought asylum in Peru, where he fled following the failure of the second coup attempt in nine months.

The measure also covered an undetermined number of colonels and lieutenant colonels on active duty or retired. The sentencing of some 216 coup officers and 500 civilians could be ready before Christmas, since the military court is working as if the country were in a state of national emergency, practically around the clock.

The accused officers could get up to 30 years in jail and the civilians 10 years, since military law states that persons who are not members of the Armed Forces receive one-third of a military sentence. Reports by the daily EL UNIVERSAL stated there are 500 officers and enlisted men and an equal number of civilians under arrest, although at least 100 officers could be released before the trial begins.

A supreme military court must hear the ruling by the ad hoc military court, headed by Air Force General Maglio Enrique Montiel. The military court's ruling cannot be appealed, although it can be overturned by the Supreme Court of Justice or an amnesty or pardon.

Unlike the trials of the members of the 4 February coup attempt, President Carlos Andres Perez, commander in chief of the Armed Forces, has ordered that an extraordinary trial be held. The purpose of this decision is to avoid delays in the legal proceedings, as have occurred with Lieutenant Colonel Hugo Chavez, the leader of the past coup attempt, who has refused to hear the charges against him, a recourse authorized by the law.

Chavez reportedly was involved in planning the latest coup, but military authorities have not said if he will have to stand another trial and if the trial will be an extraordinary one.

Arrest of Officers in Embezzlement Case Overruled

PA0812004692 Mexico City NOTIMEX in Spanish 1216 GMT 5 Dec 92

[Text] Caracas, 5 Dec (NOTIMEX)—It was reported on 5 December in Caracas that a Venezuelan higher court has overruled the arrest orders issued against six high ranking military officers charged with embezzlement from the Army. Included among the six officers is Vice Admiral Ivan Carrutu, former head of presidential security.

The higher court confirmed the continuance of a trial against two military officers and two civilians involved in the same case, including contractor Pedro Lovera who, according to the local press, is still a fugitive.

The decision by the Superior Court for the Protection of Public Property (TSS) relieved all three vice admirals, a retired general, a sea captain, and a colonel from any responsibility in the matter.

Retired General Jesus Rafael Lopez, one of the beneficiaries of the measure, decreed on 5 December, faces another embezzlement trial for his purchase of munitions for the Army.

According to EL NACIONAL, Carratu will be reinstated in his position as director of the Institute of Higher Studies for National Defense.

During the 4 February failed military coup attempt, Carratu was able to evacuate President Carlos Andres Perez from Miraflores Palace, the seat of Venezuelan government, amid heavy shooting by rebel artillery.

In August, an ordinary court ordered the arrest of all officers involved in the embezzlement of more than $10 million in the form of a telecommunications equipment acquisition contract known as the "Turpial Plan."

The case caused quite an uproar in Venezuela, since one of the persons allegedly implicated in the case reported that Fernando Ochoa Antich, former defense minister and current foreign minister, was involved in the embezzlement. Ochoa Antich denied the charges.

The Turpial Plan anticipated the purchase of equipment valued at $27 million. Lovera, the civilian contractor, collected at least seven promissory notes without having delivered several telecommunications stations.

In addition to Lovera, the TSS confirmed the arrest orders against Brigadier Gen. Juan Tadeo Arraiz, former National Armed Forces (FAN) management director, who is also a fugitive.

Colonel Eduardo Jesus Gonzalez, former FAN contracts director, and Leon Enrique Rodriguez, a former finance ministry official, both currently under arrest, will also stand trial on charges of embezzlement as a result of their involvement in the Turpial case.

The TSS sentence must be made known to the Supreme Court of Justice, which in turn will have to confirm or revoke the decision.

Defense attorneys for the six military officers benefited by the measure pointed out that the ordinary court that issued the initial arrest order had acted with "haste," adding that "the officers' honor has been established clearly."

Perez on Coup Attempt, Other Issues

PM0712170992 Madrid ABC in Spanish 30 Nov 92 pp 30-31

[Interview with Venezuelan President Carlos Andres Perez by Mauricio Hernandez in Caracas on 29 November]

[Excerpt] [Introductory passage omitted] [Hernandez] What was the most dramatic moment of this second attempted coup?

[Perez] As far as I am concerned, all the moments were dramatic, since we were defending nothing less than the integrity of Venezuelan democracy, since if we had not escaped a military coup, it would have been a tragedy for this country. There were hours of anxiety; we were bombed by aircraft which released several bombs and missiles and machine-gunned the palace. The important thing was that we did not lose our calm and our determination to see the situation through until it was fully resolved.

End Term

[Hernandez] What is going to happen in Venezuela after Friday's events? Are there some who are demanding a plebiscite to revoke your mandate?

[Perez] I do not know why there are people who are still talking about matters which are now buried in Venezuela. I believe that what matters for Venezuela—and this is what everybody should believe—is that democracy has triumphed, that democracy has been fully consolidated, since the government and the Armed Forces defeated this coup against democracy, and that the people's attitude was one of absolute support and of rejection of the intended action. This shows there is no danger that the democratic process could be dismantled.

[Hernandez] Who is there behind the putschists?

[Perez] As in the 4 February attempted coup, there are also extremists, leftists, behind everything. It must be recalled that it was the terrorist groups with guerrilla pasts who allied themselves with the 4 February military putschist cell. At that time, they took care that only the military should appear, although the link was already known, but now they have revealed themselves completely. The ground forces were the extremists; those who attacked the state television channels and villainously killed the people who were there and two janitors who were begging for mercy on their knees and yet were shot in the most savage manner. But the extremists did this because no soldier in the ground forces joined in this infamous venture of the putschists, which was of an extreme barbarity which has caused indignation. They completely destroyed with bombs the installations of the Air Force Military School, which is where the cadets were and is one of the Venezuelan Armed Forces finest buildings.

Lie

[Hernandez] President, the seat of the presidency was machine-gunned and a helicopter threw a bomb at the palace, also Saturday... (the president interrupts)

[Perez] Absolutely untrue; it is sad that a lie should go round the world at the same speed as a truth. Shortly after this, Felipe Gonzalez phoned me from Spain to ask me about the matter. The Carabobo state governor's helicopter passed close by here because he was returning to his state, and it was said that it was an enemy helicopter and that it fired a missile against the Miraflores Palace, but this is a lie.

[Hernandez] Latin America is indisputably moving toward the consolidation of democracy, but could the attempts in Venezuela spread to other countries?

[Perez] Everything depends on the active solidarity which we Latin American governments have. So far, we are guilty

of the establishment of a dictatorship in Haiti and another in Peru, although the possibility of returning to democracy is now emerging in Peru, when the transparency of the process is confirmed and the Constituent Assembly is established and takes its decisions for there to be a democratic government in Peru. If the Latin American countries do not jointly undertake the defense of the democratic system on the continent, we could have a bad time. There is no doubt that what happened in Haiti and Peru encouraged what happened in Venezuela.

[Hernandez] Do you believe that Venezuelan democracy has now been strengthened and that there will be elections?

[Perez] I do believe that: Venezuelan democracy has been strengthened considerably, and something more important is that there can be no doubt this coup was directed against the elections, since carrying out an action 10 days before the holding of the elections would have meant the disruption of the electoral process if it had succeeded. Democracy in our country, instead of emerging weakened, emerges strengthened. This is the last attempted coup. This was just the swan song of 4 February, because those who did not take part on that occasion—namely, the extremist sector which stayed in the shadows and a sector of the Air Force which was involved—were the perpetrators of this new event.

Extradition

[Hernandez] Will the extradition of the putschists who are in Peru and who traveled in the Hercules aircraft which escaped from Venezuela be demanded?

[Perez] Here I must abide by the international rules. A trial of these military personnel will be held in Venezuela, and the courts [tribunales] will decide whether their extradition is demanded, and the Court [Corte] will take the decision which rests with it, just as the government will act in accordance with the Court's order. For the present, we do not even have an official report on the servicemen who are in Peru.

[Hernandez] According to what you have said, the enlisted men will be pardoned but not the officers. Why?

Crimes

[Perez] The enlisted men are the victims of the military command's hierarchical and disciplinary structure. It does not seem just to condemn the enlisted men for an action of this kind, as I said in my address yesterday, when I announced the end of the attempted coup and the complete victory for democracy: That within the law and the Constitution we will punish severely those who put us through this international disgrace and caused so many material disasters and, especially, so many casualties, and committed evil which we did not believe possible in an action of this kind, since crimes were committed such as those at the Channel 8 television station, or a block away from the Miraflores Palace, when some boys in the Regimental Guard were caught by surprise, handcuffed, and killed. And there was what I told you about the destruction of the Air Force School building by airmen; the very place in which boys who will replace them are being trained.

[Hernandez] What is the official toll of casualties in Friday's events?

[Perez] Unfortunately, I still do not have an estimate, a complete list, but it has been put at several dozen, the majority caused by the bombs which were dropped without any restraint, destroying both private and public properties.

[Hernandez] When did you realize you were undergoing a coup?

[Perez] From the first moment. I assumed my position as head of state and coordinated all actions from this office in which you are interviewing me. We resolutely made the decisions to ensure the situation was resolved on the same day and a state of anxiety was not created, especially among the people of Caracas, who had to endure the heavy bombardment from the aircraft and the detonation of the bombs and missiles.

[Hernandez] Did you take up any weapon at any time?

[Perez] No, not this time. I did so 4 February, but not this time. On that occasion we were attacked by land, and this time I could not take up a weapon against an aircraft. Here the aides-de-camp insisted that I go down to the basement, but I did so only twice, because they were constantly warning me that high-powered aircraft were coming and that their bombs could affect the palace more severely. But I preferred to be in its corridors. My whole family was in La Carlota, near La Casona, at the Francisco de Miranda barracks, where the air staff is located and which was taken by the putschists, witnessing that horrific sight.

[Hernandez] Did your advisers at any time advise you to leave the Miraflores Palace or the country?

[Perez] No, I cannot be given that advice: I will always be taking decisions as head of state.

[Hernandez] Spain has been awaiting you since the second Ibero-American summit. When will you visit Madrid?

[Perez] I do not know; I was intending to leave for Buenos Aires tomorrow. As you have seen, the situation in Venezuela is perfectly normal. However, the people would not approve of my leaving the country at this time, so I do not know as yet when I will be able to go.

Phone Calls From King and Felipe Gonzalez

[Hernandez] Did you speak again with the king and Felipe Gonzalez, as you did during February's attempted coup?

[Perez] Felipe Gonzalez phoned me when he heard the report about the missile launched against the presidential palace, which proved to be untrue. The king phoned me, but, unfortunately, I could not speak with him at that time. However, he sent me a message through Prime Minister Gonzalez. I intend to phone him back. Fortunately, we had complete international solidarity from the presidents of Latin America, and I must say that the first call that I always receive is that from my neighbor in Colombia, Cesar Gaviria.

[Hernandez] You witnessed the elimination of the guerrilla forces in Venezuela when you were a minister. There is now talk that it is possible that the guerrilla phenomenon will reappear.

[Andres Peres] It is impossible. It is attributed to me, and quite rightly, it was I who eliminated the guerrilla movement in 1960, when it tried to establish itself in Venezuela. That is true; I still believe it was because we did not allow it to expand. That is a decision which must be made when it emerges. If it is allowed to grow and take root, it is very difficult to stop it. The Venezuelan peasants never became linked to the guerrillas, nor did the marginal sectors in the cities or the poor sectors, either. The existence of modern parties such as Democratic Action, which had permanent committees in all districts and all villages, was a very important factor enabling the government in the first place to have very direct information from all parts of the territory; and, second, the Venezuelan fellow countrymen living under a democratic government and seeing the changes which were being made in the country were not going to allow themselves to be won over by the guerrillas' offers. That helped us a great deal to defeat the guerrilla forces.

[Hernandez] Is there a large movement of dissidents in the country?

[Perez] Dissent is present in all the countries of Latin America—a very justified dissent. The fact is that this dissent must be channeled, and the political parties have a fundamental duty to channel it. Perhaps the parties' failure is one of the problems which we are suffering in all the nations of Latin America. I am not trying by this to shake off my government's responsibilities. Nor are we governments very efficient, but, on the other hand, the fact is that the reforms, the adjustments which we have been forced to effect by the realities of our economies have been really dramatic. How can one not understand a people feeling bitter and becoming distressed when they see all the parameters of their lives changing, medicines and the prices of all products going up, and wages not rising in the same way? This is a maladjustment which we are experiencing—the result of all the mistakes which we accumulated in the past—but adjustment policies therefore also have a remedy, which is social compensation. In that respect Venezuela can have the satisfaction of saying that the boldest and most extensive social program in any country in Latin America is the one which we are implementing here. So you will be wondering why so much dissent is manifesting itself. It is because this used to be the most subsidized country in the world. Nothing has been paid for here. In other countries of Latin America, public services cost money. Here, public services and gasoline are extremely cheap.

[Hernandez] President, what will become of the rebels and fugitives who are armed and scattered throughout Venezuela?

[Perez] It is not that there are armed rebels; it is that we have had here since the sixties the guerrilla forces, which were quite considerable in the country in their time and which are not yet finished. They are small groups which have a capacity for disruption, and these were the allies of the movement of 4 February, when they achieved greater strength, and they are the ones of whom you speak. Two days ago, in Sucre state, there was a clash between an Army corps and a 20-strong guerrilla force, which caused several deaths and other arrests. That has no chance of growing stronger in Venezuela.

[Hernandez] Will there be complete normality in the elections which will be held next Sunday, 6 December?

[Perez] You can be certain that there will. Here, the Venezuelan people vote religiously; they have confidence in democracy.

[Hernandez] Last, will there not be a third attempted coup?

[Perez] No, as I told you, this was simply the swan song of the 4 February insurrection.

Guyana

Jagan Denies Opposition to Trinidad, Barbados Ties

FL0712193792 Bridgetown CANA in English 1700 GMT 7 Dec 92

[Text] Georgetown, Guyana, Dec 7, CANA—Guyana's President Cheddi Jagan has denied media reports in the Caribbean that he is against a proposal by Trinidad and Tobago to develop closer political and economic ties with Guyana and Barbados.

The Office of the President, in a weekend statement, said President Jagan supported closer union, but was "cautious about an immediate structured political arrangement among the three states since this will isolate the other Caricom countries".

The Guyanese leader, in recent interviews, had expressed fears that the union could lead to a "balkanisation" of Caricom (Caribbean Community), by splitting it into too many groupings.

"He stated as far as he was concerned, the issue of a political union has not been addressed fully by the leaders of the three states," the statement said.

The leaders of the three countries had agreed to limit the union to economic integration when it came up at the Caricom heads of government summit in Trinidad in October.

Barbados Prime Minister Erskine Sandiford was reported to have made the suggestion for initially limiting their co-operation to economic integration.

The three leaders also agreed to establish a trilateral commission to further ties in trade, culture and sports, the statement said.

It said the leaders did not specify an immediate thrust towards political union.

The Guyanese leader favours consensus on opening and widening the integration process and denied he had rejected the proposal.

Trinidad and Tobago's Prime Minister Patrick Manning had suggested an economic and eventual political union among the three countries to speed up the integration process in the rest of the Caribbean Community countries. All three leaders have welcomed the proposal.

Councils, Body To Select Remaining Legislators

FL0412003992 Bridgetown CANA in English 1945 GMT 3 Dec 92

[Text] Georgetown, Guyana, Dec 3, CANA—Guyana's 10 major local government councils and the umbrella body to which they belong will meet next week to select the final 12 members of the 65-member national Parliament, the office of President Cheddi Jagan announced.

The Regional Democratic Councils (RDC's) are responsible for administering a wide range of public services in the 10 administrative regions into which Guyana is divided. Their umbrella organisation is the National Congress of Local Democratic Organs (NCLDO). Fifty three seats in the National Assembly are filled by direct ballot. The remaining 12 have to be filled before the legislative body can reconvene after general elections two months ago in which there was a change of government.

The October 5 ballot gave the ruling People's Progressive Party (PPP)/Civic coalition 28 seats, the former ruling People's National Congress (PNC) 23, with one seat each going to The United Force (TUF) and the Working People's Alliance (WPA). In post-election bargaining to strengthen its parliamentary majority, the PPP/Civic government announced it had worked out a deal with the TUF and WPA under which it will get seven of the 12 remaining seats to increase its majority to 35.

The 10 RDC's will each elect a representative in the National Assembly, and the NCLDO two. RDC elections were held simultaneously with national elections on October 5.

Opposition Splits Over Hamilton Green Exclusion

FL0412015592 Bridgetown CANA in English 2214 GMT 3 Dec 92

[Text] Georgetown, Guyana, Dec 3, CANA—Guyana's opposition People's National Congress (PNC), facing a possible split over the exclusion of former prime minister Hamilton Green from its new parliamentary team, prepared for a crucial executive meeting on Thursday [3 December] night. Green, the deputy leader of the former ruling party, was among 15 former PNC ministers omitted by party leader Desmond Hoyte from the team of 23 parliamentarians who will represent the PNC in the National Assembly.

Green had warned in a recent newspaper interview that his exclusion could [word omitted] the party. But, Thursday, he told CANA: "I haven't made up my mind what I want to do yet. I will be making no further comments until after the meeting...." A high-level party source told CANA the agenda of central executive meetings is always secret, but he conceded Green could raise his grievance in an attempt to have it resolved. The PNC central executive comprises the party leader, deputy leader, some parliamentarians, and former cabinet ministers.

Newspaper reports said Hoyte, Guyana's president until the party's defeat in the October 5 election, was criticised for excluding Green at a stormy district meeting last week.

Suriname

Bouterse Addresses Mass Meeting, Denies Coup Plans

PM0212175092 Amsterdam DE VOLKSKRANT in Dutch 30 Nov 92 p 4

[Linda Otter report: "NDP Expects Elections Soon in Suriname"]

[Text] Paramaribo—On Friday evening [27 November] the mood at the heart of Suriname's opposition National Democratic Party [NDP] seemed to be one of election fever. A crowd waved flags enthusiastically, the party executive smiled radiantly, and army leader Desi Bouterse was content. After Bouterse's speech, party leader J. Wijdenbosch was visibly moved. "The NDP will move up from 12 to 18 seats," he promised; "there will be new elections within the foreseeable future."

The NDP, which is allied with the army, had organized a mass meeting for Friday evening for Bouterse, who was to explain to "the people" why he tendered his resignation as commander in chief last week. Around 3,000 party members and others curious to hear what he would say flocked to the meeting.

The army leader expressed his indignation over the fact that he had not been allowed to decorate "his men" even though they had fought so hard against "the terrorists."

"The president has taken sides, and this is scandalous when you see how the terrorists were pampered," Bouterse said, alluding to Brunswijk's Jungle Commando. He also launched a fierce attack on U.S. Ambassador J. Leonard and attempted to give the impression that the ambassador was lying when he said that the CIA has never interfered in internal affairs in Suriname.

Bouterse also had a message for those who on 8 December want to commemorate the fact that 10 years ago, members of their families were murdered by the army leadership. "If they go out onto the streets with 200 people, we will come with 2,000." He considers that the government is aiming at confrontation by granting permission for the commemoration. He called on the parliament to ask the president to withdraw permission for a memorial march.

Surinamese politicians of various hues have reacted laconically to the former commander in chief's remarks. There can be no suggestion of cancelling the commemoration. "Alas, it is just a tough act. He takes every opportunity to sweep 8 December under the carpet," said E. Brunings of the Democratic Party, a breakaway from the NDP. Brunings does not expect the commemoration to end in fighting. "I think that he is consciously playing on this in order to make people frightened."

"The mass meeting has made it clear where Bouterse wants to go," NPS [Suriname National Party] Assembly deputy Kallan said. "He is trying to use threats to see to it that he is not made answerable for the murders. He hopes that he will never be tried."

On Friday evening Bouterse made it clear that he has no plans for a new coup. "This army will not mount a coup," he said. Surinamese politicians expect that Bouterse will set himself up as a sort of NDP "godfather." Like NPS leader Arron he could have his name included on candidate lists without taking his seat in parliament. Bouterse is said to be aiming at early elections; the economic climate is altogether favorable for an opposition party. The government has had the task of implementing a tough program of economic reform. There have been substantial cuts in the public sector and in the army and the price of electricity and petrol are to rise sharply. "Suriname must become vigilant because citizen Bouterse is much more dangerous than commander in chief Bouterse," Kallan warned. "He can now make political speeches and cause unrest without any problems."